



## CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Adopt Resolution Authorizing the City Manager to Execute an Agreement with Osmose Utilities Services, Inc. of Tyrone, Georgia for Electric Utility Pole Inspection, Testing and Treatment with Administration by the Electric Utility Director (\$110,000)

**MEETING DATE:** May 18, 2011

**PREPARED BY:** Electric Utility Director

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**RECOMMENDED ACTION:** Adopt a resolution authorizing the City Manager to execute an agreement with Osmose Utilities Services, Inc. of Tyrone, Georgia for electric utility pole inspection, testing and treatment with administration by the Electric Utility Director (\$110,000).

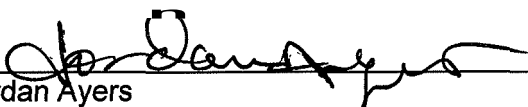
**BACKGROUND INFORMATION:** The Electric Utility is required to periodically inspect and test wooden utility poles and their adjacent anchors to comply with State utility regulations. Further, as appropriate, poles are butt treated to increase their life, resulting in decreased maintenance costs.

Pursuant to Lodi Municipal Code Section 3.20.045, the City may utilize another public agency's bid process to award a contract. The Modesto Irrigation District completed a bid process and in 2009 awarded a contract for inspection and treatment of their poles with Osmose Utilities Services, Inc. of Tyrone, Georgia. Osmose Utility Services, Inc. has agreed to the same pricing as the Modesto Irrigation District contract, as shown on the attached contract, for 2011 and an increase for 2012 based on the Consumer Price Index, with a minimum increase of 3 percent and a maximum increase of 5 percent. Although the MID contract is two years old, the price is well below staff's estimate for the work, especially with its expanded scope.

EUD staff recommends waiving bid requirements and awarding the pole maintenance contract to Osmose Utilities Services.

**FISCAL IMPACT:** Contract Award is \$110,000.

**FUNDING:** Included in FY 2010/11 Budget Account No. 161650

  
Jordan Ayers  
Deputy City Manager/Internal Services Director

  
Elizabeth A. Kirkley  
Electric Utility Director

PREPARED BY: Edward Fitzpatrick, Distribution Planning Supervisor  
EAK/EF/1st

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APPROVED:   
Konradt Bartlam, City Manager



February 11, 2011

ACCEPTANCE COPY

Ms. Danielle Rogers  
Executive Assistant  
CITY OF LODI  
1331 South Ham Lane  
Lodi, CA 95242

**RE: POLE INSPECTION TREATMENT PROPOSAL - 2011  
MODESTO IRRIGATION DISTRICT CONTRACT**

Dear Ms. Rogers:

At the request of our Director-Sales, Mr. Dean McQuillan, we are submitting the following unit prices approved by Modesto Irrigation District on February 12, 2009. This pertains to the pole inspection and treatment of distribution and transmission poles in your service territory in 2011.

We will perform the work in accordance with Modesto Irrigation District's Contract for Pole Inspection Treatment Services, dated February 12, 2009 (the "MID Contract") attached hereto as Attachment 1 and made a part hereof.

Osmose hereby gives consent to City of Lodi to piggyback on the MID Contract. Per the terms of the Contract, the prices set out in Attachment 2 are for 2011. For the year 2012, we propose using the Consumer Price Index (CPI) for price rate adjustments with a minimum increase of 3% and a maximum increase of 5% annually. Compensation to be paid to Osmose by the City of Lodi under the MID Contract is set forth in Attachment 2 and covers 2,635 distribution poles and 800 transmission poles in the City's electric distribution system. The City of Lodi will direct which services under the Scope of Service (Attachment A to the MID Contract) are to be performed by Osmose.

An insurance certificate covering Osmose for the work under the MID Contract is attached for your convenience as Attachment 3.

If you need further assistance or have any questions concerning this proposal, please do not hesitate to contact Dean at 702-245-3567.

We look forward to working with you on this important project. If these unit prices are acceptable, *please sign, date,* and return an acceptance copy so that we can schedule crews to begin this project.

Sincerely,

David R. Hagley  
Vice President-Contracts  
Attachment

DRH/kh

C. Buffalo, D. McQuillan, T. Petrik, G. Samuelson, E. Wheeler  
1006298-99

Osmose Utilities Services, Inc.  
215 Greencastle Road • Tyrone, GA 30290-2944  
770-632-6700 • Fax 678-364-0844

IN WITNESS WHEREOF, CITY and CONTRACTOR have executed this Agreement  
as of the date May 11, 2011.

CITY OF LODI, a municipal corporation

ATTEST:

\_\_\_\_\_  
RANDI JOHL  
City Clerk


\_\_\_\_\_  
KONRADT BARTLAM, City Manager

APPROVED AS TO FORM:

CONTRACTOR: Osmose Utilites Services, Inc.

D. STEPHEN SCHWABAUER, City Attorney  
JANICE D. MAGDICH, Deputy City Attorney

By:  \_\_\_\_\_

By:  \_\_\_\_\_  
Name: David R. Hagley  
Title: Vice President-Contracts

**Attachments:**  
**Attachment 1 – MID Contract**  
**Attachment A – Scope of Services**  
**Attachment 2 – Fee Proposal**  
**Attachment 3 – Insurance Requirements**

ORIGINAL

Osmose

## Contract for Pole Inspection Treatment Services

This Contract is entered into this <sup>th</sup> \_\_\_\_\_ day of February, 2009 by and between the Modesto Irrigation District, a California irrigation district (hereinafter the "District"), and Osmose Utilities Services, Inc. (hereinafter "Contractor"), and is made with regard to the following facts and circumstances, among others:

A. Contractor has familiarized itself with the scope of work that is to be performed pursuant to this Contract, and is qualified, able and willing to undertake the work specified herein.

Now therefore, the parties hereby agree as follows:

### 1. CONTRACT

This Contract consists of the Request for Proposals, Instructions to Bidders, Evaluation Criteria, Insurance Requirements, Contractor's Proposal dated December 5, 2008, and this Contract for Pole Inspection and Treatment Services and Attachments "A" thru "C", inclusive, all of which are attached hereto and incorporated herein by this reference.

### 2. SERVICES

Contractor, for and in consideration of the compensation to be paid to it as provided in this Contract, hereby agrees to furnish all labor, material, travel, technical, professional, administrative and other services, permits, licenses, supervision, equipment and facilities and all related expenses, and to perform all work necessary and required to inspect poles and provide treatment services, all set forth in this Contract, including the Scope of Work attached hereto as Attachment "A".

### 3. INDEPENDENT CONTRACTOR

It is understood and agreed that Contractor shall act as an independent contractor in performing the work under this Contract, maintaining complete control over its employees and being solely responsible for the means, methods, techniques and procedures for performing the work in accordance with this Contract. All persons employed by Contractor in connection with this Contract shall be employees of Contractor and not employees of District in any respect.

### 4. COMPENSATION

The District shall compensate Contractor on the basis and in amounts set forth in the Pricing Proposal (Page 11); provided however that in no event shall the total compensation to be paid to Contractor pursuant to this Contract exceed One Million Six Hundred Twenty-Seven Thousand and Seven Hundred Dollars (\$1,627,700).

**5. NOTICE TO PROCEED: COMPLETION DATE**

Contractor shall commence the performance of the work under this Contract promptly upon receipt of the District's notice to proceed, and shall use its best efforts to perform the work diligently to completion. All work shall be completed by December 15, 2012.

**6. TERM OF AGREEMENT**

The term of this Contract shall begin January 13, 2009 and will terminate on December 15, 2012, unless terminated sooner in accordance with the terms of the contract. The initial contract term will be for two (2) years with an option to renew at District's choice for additional one (1) year periods up to a maximum of four (4) years.

**7. PERFORMANCE STANDARDS**

Contractor shall exercise that degree of skill and judgment commensurate with that which is normally exercised by licensed professionals specializing in providing services comparable to those provided for in this Contract. Contractor shall comply with all applicable federal, state and local laws, rules, ordinances and regulations, including without limitation, applicable occupational safety and health acts and rules and regulations promulgated to implement such acts, in the performance of, and shall possess all required licenses to perform, the work under this Contract. Contractor shall re-perform, at no cost or expense to the District, any work which is deficient because of Contractor's failure to perform such services in accordance with the standards set forth in this Contract. Contractor shall correct any incomplete, inaccurate or defective work at no additional cost or expense to the District.

**8. SAFETY AND HEALTH STANDARDS**

Contractor shall have the sole responsibility for the safety and health of all persons performing work under this Contract, whether on District's premises or otherwise, and shall provide all equipment and materials necessary to safely perform the work. Contractor shall promptly correct any hazard affecting the performance of the work.

**9. PERMITS AND NOTICES**

Except as otherwise indicated, Contractor shall, at Contractor's expense, obtain and maintain all required permits, approvals and inspections, pay all charges and fees required to complete the work under this Agreement, and give all notices, necessary for the Performance of the work.

**10. ACCEPTANCE; PAYMENT**

At such time as Contractor deems that all of the obligations imposed upon it by this Agreement have been fulfilled, Contractor shall, in writing, so notify the District. Upon receipt of such notice, the District's authorized representative, together with Contractor,

shall inspect the work, which has been performed. If the District's representative determines that all work which, **by** the terms of this Agreement, is necessary or required to be performed, has been satisfactorily performed, the District will so notify Contractor in writing. Such notification shall constitute final acceptance of the work.

Upon final acceptance, District will promptly cause to be filed in the office of the County Recorder of Stanislaus County, California, a Notice of Completion of all work under the Agreement,

After final acceptance of the work by the District, Contractor shall submit to the District one (1) billing invoice for all work performed under this Agreement. The billing invoice shall provide a true and correct account of all work performed in accordance with this Agreement. The District shall, except as may otherwise be required by law, pay Contractor the amount due in accordance with this Agreement, as set forth in the billing invoice, within thirty (30) days of receipt of the invoice.

Final acceptance shall not affect or limit the liability or obligations of Contractor with respect to Contractor's obligations under this Agreement that continue after final acceptance, including, without limitation, those relating to guaranties, warranties and indemnities.

#### **11. INDEMNITY**

To the fullest extent allowed by law, the Contractor will indemnify, defend, and hold harmless the District, District's directors, officers, representatives, agents and employees from and against any and all claims, damages, losses, judgments, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of or resulting from, or in connection with the performance of this agreement; such indemnification shall not extend to cover loss, damage, or expense arising from the sole negligence or willful misconduct of the Contractor, its agents, officers, and employees.

#### **12. WARRANTY**

Contractor expressly warrants that all the material included in the work shall be fit and sufficient for the purpose intended and that upon final acceptance of the work, District shall have clear title to the work and materials, free of all liens and encumbrances. Contractor further warrants that all equipment, materials and work furnished under this Contract shall be; (a) in strict conformance with the drawings, specifications and all other design criteria supplied to or by District in connection with this Contract; (b) new and of first-class quality; and (c) free from defects, whether patent or latent, in material and workmanship. Bidder shall attach to his proposal a written statement covering warranty, detailing the equipment and component warranty term.

**13. CONTRACTOR REPRESENTATION**

Contractor represents that it has informed itself about the conditions to be encountered, the quantity of the work, the methods and procedures to be used in performing the work, local labor conditions and all other matters in connection with the work to be performed under this Contract.

**14. SUBCONTRACTORS**

Contractor shall not perform the work under this Contract, or any part of it, **by** or through any subcontractor.

**15. PROPRIETARY INFORMATION**

Contractor agrees that all information disclosed by District and identified in writing as proprietary shall be held in confidence and be used only in the performance of the work under this Contract. Contractor further agrees that, except as mandated by law, Contractor shall not, during the period of this Contract nor any time thereafter, disclose to any person or entity, or use for its own benefit, any such information supplied to it by District; provided, however, that any information which is or becomes publicly known and made generally available through no wrongful act in violation of this Paragraph shall not be considered proprietary.

**16. TERMINATION**

The District may at its option suspend or terminate this Contract, in whole or from time-to-time in part, at any time by written notice to Contractor, whether or not Contractor is in default.

Upon any such suspension or termination Contractor agrees to waive any claim for damages, including loss of anticipated profits on account thereof, but **as** the sole right and remedy of Contractor, District shall pay to Contractor in accordance with the provisions of this Paragraph, provided, however, that the provisions of this Contract, which by their very nature survive final acceptance under this Contract, shall remain in full force and effect after cancellation and termination.

Upon receipt of any such notice, Contractor shall, unless the notice directs otherwise, immediately discontinue work on the date and to the extent specified in the notice.

Upon any such termination, District will pay to Contractor **all** amounts due and not previously paid to Contractor for materials provided and work completed in accordance with this Contract prior to such notice, and for the work thereafter completed as specified in such notice; provided, that in no event shall the total compensation paid to Contractor exceed the not-to exceed price set forth in Paragraph 4.

## **17. DISTRICT REVIEW AND APPROVAL**

District's rights hereunder to inspect, or otherwise review, comment on, test, accept or approve, the work to be performed under this Contract, or any part of it, **shall** not impose any duty, obligation or liability on District with respect to the work, nor shall they impose any duty to inspect, review or approve the methods by which the work **is** performed. Nor shall any such action, or failure to take such action, **by** District prejudice any claim, right or privilege that District may have arising out of defective or nonconforming work or the use thereof, or relieve Contractor of its responsibility for the performance and condition of the work or of its contractual responsibility under this Contract.

## **18. OWNERSHIP OF DOCUMENTS**

Any drawings, plans, reports, information, data, or other documents or material given to, obtained **by**, or prepared *or* assembled by Contractor under the Contract (collectively referred to in this Paragraph as the "Documents") shall be the permanent property of Owner whether the project is constructed or not, and shall be delivered to the Owner upon demand. Owner shall hold the copyright to all Documents and shall, without further action or permission, have the right and authority to copy, use and disclose the Documents in any manner and for any purpose.

Contractor hereby grants to Owner the right to use and distribute the Documents for any purpose and in any manner; provided that Owner acknowledges that the Documents are not intended or represented to be suitable for reuse by Owner or others on extensions of this project or on any other project.

No Document shall be made available to any individual or organization by Contractor without the prior written consent of Owner.

Any records made by or for Owner are available only for Contractor's information, and there is no express or implied warranty or guarantee as to the accuracy of the records or any interpretation of them. Contractor represents that it recognizes this, and that it has formed its own opinion and has made its own interpretation of the records. Contractor shall not rely on or make any claim against Owner or the Owner Representative with respect to such records, the data contained in them or the interpretations, opinions or conclusions formed from them. Such records are not part of the Contract Document.

## **19. DISTRICT REVIEW**

District's rights hereunder to inspect, or otherwise review, comment on, test, accept or approve, the work to be performed under this Agreement, or any part of it, **shall** not impose any duty, obligation or liability on District with respect to the work, nor shall they impose any duty to inspect, review or approve the methods by which the work **is** performed. Nor shall any such action, or failure to take such action, by District prejudice any claim, right or privilege that District may have arising out of defective or nonconforming work or the use thereof, or relieve Contractor of its responsibility for the



performance and condition of the work or of **its** contractual responsibility under this Agreement.

## 20. GOVERNING LAW

This Contract **shall** be governed by **and** construed in accordance with the laws of the State of California, excluding any choice of law rules that direct the application of the **laws** of another jurisdiction.

It **is** agreed that no suit or action arising out of **the** performance of or with respect to this Contract **shall** be initiated by Contractor **against** District, *its* directors, officers, representatives, **agents** or employees, **except** in a court of competent jurisdiction in the State of California.

## 21. NOTICES

**Any** notice, **request**, **demand** or other communication required or permitted hereunder shall be deemed properly given when delivered either by personal delivery in writing, or by mail, registered or certified, **postage** prepaid **with** return receipt requested, **addressed** as follows:

Contractor:

Osmose Utilities Services, Inc.  
216 Greencastle Road  
Tyrone, GA 30290  
**Attention:** David R. Hagley

District:

Modesto Irrigation District  
PO Box 4060  
Modesto, CA 95352  
Attention: Tom Williams

Either party **may** change its **address** by notifying the other party in writing of the change of address.

The **parties** hereto hereby execute this Contract as of the **date first** set forth above.

**OSMOSE UTILITIES SERVICES, INC. MODESTO IRRIGATION DISTRICT**

By: David R. Hagley  
David R. Hagley

Title: Vice President-Contracts

By: Allen Short  
A Short

Title: General Manager

Date: 2/04/09

Date: 3/3/09

Osmose <sup>T.O.</sup> **is signing** this contract with the **understanding** that the **attached negotiated recommended revisions are included as part** of this Contract **for** Pole Inspection Treatment Services.

**RESOLUTION NO. 2009-9**  
**APPROVING CONTRACT FOR POLE INSPECTION TREATMENT**  
**SERVICES BETWEEN MODESTO IRRIGATION**  
**DISTRICT AND OSMOSE UTILITIES SERVICES, INC.**

WHEREAS, the Modesto Irrigation District desires pole inspection service; and

WHEREAS, the District submitted a Request for Proposals, Pole Inspection Treatment Services; and

WHEREAS, Osmose Utilities Services, Inc., was the lowest qualified bidder and is able and willing to undertake the work specified.

BE IT RESOLVED, That the Board of Directors of the Modesto Irrigation District does hereby authorize and direct the General Manager to execute the Contract for Pole Inspection Treatment Services between Modesto Irrigation District and Osmose Utilities Services, Inc., in an amount not-to-exceed \$1,627,700.

Moved by Director Warda, seconded by Director Kidd, that the foregoing resolution be adopted.

The following vote was had

Ayes: Directors Hensley, Kidd, Serpa, Van Groningen and Warda

Noes: Directors None

Absent: Directors None

The President declared the resolution adopted.

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I, Pat Caldwell Mills, Secretary of the Board of Directors of the Modesto Irrigation District, do hereby CERTIFY that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of said Board of Directors held the 13th day of January 2009.



Secretary of the Board of Directors  
of the Modesto Irrigation District



**RECOMMENDED REVISIONS TO MODESTO IRRIGATION CUSTOMER'S CONTRACT  
FROM OUR GENERAL COUNSEL**

We are also including our recommended revisions to your contract for contract work. In recent years, there have been many changes in contractual language with most of our customers. In order to be fair and equitable to everyone involved and to make sure the contractual language is applicable to the specifics of our scope of work, Osmose now reviews all contracts with our legal department. Most likely, your company performs similar reviews. Our General Counsel, Ms. Liza Tommaney, can be contacted at (716) 319-3477 to resolve any issues regarding our proposal. As with most proposals, we are confident all issues can be resolved prior to the start of the project. It is our intent to be a reliable vendor for years to come. This is not intended to delay the RFP process, but to have the opportunity to review terms and conditions specific to this project.

**Insurance Requirements**

Pg. 10. Last paragraph. Please delete first sentence: "Any deductible or self-insured retention must be declared to and approved by District."

**Contract For Pole Inspection Treatment Services**

8. ~~Lines 4-5.~~ Please delete sentence: "Contractor shall promptly correct any hazard affecting the performance of the work." Instead replace with: "As a courtesy and not an affirmative obligation Contractor will advise District of any obvious (with obvious as defined by the average residential consumer of electricity) discrepancies seen or unsafe conditions such as loose guy wires, low hanging wires, leaning poles. Contractor does not warrant that all discrepancies or unsafe locations will be located."

11. At the end of paragraph, please add "Notwithstanding any other language to the contrary, in no event shall Contractor be responsible for or be required to defend, indemnify or hold harmless District from and against any claim for personal injury (including death) or damage to property or loss of use which occurs more than one (1) year after completion of the Work."

12. Please delete and replace with "Contractor shall perform all Work in a safe, efficient, good and workmanlike manner. Contractor warrants for a period of one (1) year from the date of completion that the Work shall conform to the Agreement specifications & Exhibit B and shall have been performed with the ordinary skill and care of wood pole inspection professionals. As a condition to this warranty, District must give Contractor written notice within ten (10) days after District first discovers or receives notice of any alleged non-conforming Work; If any Work is found not to conform to the specifications, taking into account Exhibit B, Contractor shall, at its option, either refund that portion of Contractor's fees pertaining to such non-conforming Work or repair or replace the defective Work at no cost to District. **CONTRACTOR MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. ALL ACTIONS AGAINST CONTRACTOR BY DISTRICT IN WARRANTY, TORT, CONTRACT OR OTHERWISE MUST BE COMMENCED WITHIN ONE (1) YEAR OF THE DATE OF ACCRUAL OF SUCH ACTION. IN NO EVENT SHALL CONTRACTOR BE RESPONSIBLE FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES, UNLESS CAUSED BY THE WILLFUL MISCONDUCT OF CONTRACTOR. CONTRACTOR MAKES NO WARRANTY AS TO THE LONGEVITY OR USEFUL LIFE OF WOOD POLES INSPECTED AND/OR TREATED BY CONTRACTOR.**

# Osmose.

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## Recommended Revisions

Page -2-

~~SW-12~~ Line 6. Amend to read *"To the extent such damage is caused by the intentional misconduct or negligent acts or omissions of the Contractor, its employees or Subcontractors, Property owners' complaints..."* .

### Attachment C

(a) Line 1. Please amend first sentence to read *"Other than the products associated with preservatives intended for the control and prevention of wood destroying organisms, Contractor shall not..."* .

(e) pg 38. Last sentence, please amend to read *"...of this Contract for a period of one (1) year from the completion of the work?"*

Accepted By:



Date January 23, 2009

David R. Hagley  
Vice President-Contracts  
Osmose Utilities Services, Inc.

Accepted By:



Date 2-2-07

Name: Thomas Williams  
Title: Supervisor Service maintenance  
MODESTO IRRIGATION DISTRICT

Denise Ray 2/2/09  
Supervisor Purchasing

# Osmose Utilities Services, Inc.

## EXHIBIT B

### ADDITIONAL INFORMATION REGARDING CONTRACTOR'S POLE INSPECTION AND TREATMENT PROGRAMS RELATIVE TO BEST PRACTICES

Pole Owners should be aware that the present art of inspecting poles and equipment and the site where these items are typically located is not perfect, and there is no test equipment or methods to make it so. When evaluating wood poles, there are variables affecting wood quality and strength for which the Contractor has no control. These would include the species of timber involved, the effectiveness or lack of original treatment, soil and climate conditions, brash or brittle wood (including brash wood caused by soft rot which lacks the required strength, but is not always detectable by any known field methods), the insect activity, bird damage, or lightning damage occurring or resuming after the time of inspection. For these and similar reasons, perfection is not always possible, even with highly trained professional inspectors and electronic instrumentation.

When attempting to identify defective equipment in field conditions, there are also additional variables over which the Contractor has little or no influence. Some of these variables may include trees and other vegetation on utility right-of-ways continuing to grow after the inspection date, new attachments and lines being added to poles and old equipment being removed by power, telephone, and cable television personnel and line construction contractors, utility subscribers and others may build, alter, or demolish various structures, and roads and driveways are added or rerouted which violates clearance requirements and cable burial depths without the Pole Owner's or inspectors being notified. **The longer time passes after an inspection is performed, the less reliable the data on attachments, defective equipment and clearances become.**

Pole Owner acknowledges that the Contractor cannot in any way assume responsibility for damage or injuries caused by factors or variables outside of the Contractor's control.

More specific information follows which should be known by utility management and those who work on or near transmission, distribution and other outside plant facilities.

#### 1.0 POLE INSPECTION METHODS

The primary methods for inspecting wood poles at the groundline follow, along with observations based on the experience of the Contractor in regard to their reliability. Some or all apply to any individual contract with the Pole Owner's instructions prevailing. The Pole Owner has determined the frequency and type of inspection and application of supplemental treatments and provides or approves specifications on how to classify deteriorated poles.

As a general rule, the more excavation that is done prior to inspection, the more accurate the inspection process at the groundline can be.

When evaluating a damaged pole, the inspector approximates the size, extent and nature of the damage. With the aid of the Pole Owner, the Contractor applies reject criteria and measuring devices and converts the loss of the pole's cross sectional area to an equivalent reduced circumference of sound wood. This is not an exact science, and conclusions about actual pole strength should not be based on effective circumference estimates alone. The Pole Owner needs to independently verify pole strength.

#### 1.1 Visual and Sounding Inspection from Ground Level

This inspection method is intended to locate severe above ground defects which can be seen from ground level with the naked eye and poles that are severely decayed from the groundline to 5' above groundline. This inspection method can miss poles without sufficient strength to meet the National Electric Safety Code ("NESC"), the General Order No. 95 ("GO 95"), or other mandated overload capacity requirements, and there is the possibility of missing those poles with

# **Osmose Utilities Services, Inc.**

## **EXHIBIT B**

### **ADDITIONAL INFORMATION REGARDING CONTRACTOR'S POLE INSPECTION AND TREATMENT PROGRAMS RELATIVE TO BEST PRACTICES**

insufficient strength to support the current loading. Most poles with exterior and/or interior decay below groundline will not be identified. Used in conjunction with visual inspection, historical data shows approximately 15% to 25% of reject and priority poles will be found.

#### **1.2 Electronic Inspection Devices**

This method utilizes electronic equipment, some of which primarily measure speed of sound waves from one point on the outside of a pole to another point on the opposite side of a pole in one narrow plane. Other devices measure hardness, moisture content or the frequency of a sonic sound wave. Based on information gathered during follow-up inspections of many thousands of poles in different geographic areas by the more thorough excavation method described in Section 1.5 below, it is the experience of the Contractor that the sonic method is not as accurate as the Sound and Bore method described next. Used in conjunction with visual inspection, historical data shows approximately 40% to 50% of the reject and priority poles will be found. This inspection method should be repeated at least yearly.

#### **1.3 Sound and Bore**

Without excavation, this method involves utilizing a sounding hammer around the pole from ground level to about 8' above, followed by one or more borings at the groundline or other area noted to be suspicious by sounding. It is specified by the Pole Owner for poles set in pavement where excavation is impractical. It can miss poles without sufficient strength to meet the NESC, GO 95, or other mandated overload capacity requirements, and there is the possibility of missing those poles with insufficient strength to support the current loading. This is particularly true when the decayed area is below ground level or if the inspector's tools do not contact hidden, damaged areas. Used in conjunction with visual inspection, historical data shows approximately 50% to 60% of reject and priority poles will be found. This inspection procedure should be performed at least yearly.

#### **1.4 Partial Excavation Plus Sound and Bore**

The primary options specified by Pole Owners in this category are:

- I. Pushing the soil away from the pole to a depth of 4" to 6" at two or three locations prior to observing, sounding, and making one or more borings.
- II. Removing soil to a depth of 6" at one or more points or around the entire perimeter prior to observing, sounding, and making one or more borings.
- III. Excavating to a depth of 18" on one side of a pole prior to observing, sounding, and making one or more borings.

The above partial excavation procedures can be expected to identify many but not all inspected poles with decay below ground or other condition causing a reduction in the required strength at the groundline. Used in conjunction with visual inspection plus a sound and bore, historical data shows that approximately 80% to 90% of reject and priority poles will be found with a 2 sided partial excavation or a one sided 18" deep excavation, and 70% to 80% of reject and priority poles will be found with a one sided 4" to 6" deep partial excavate. This inspection procedure should

**Osmose Utilities Services, Inc.**  
**EXHIBIT B**  
**ADDITIONAL INFORMATION REGARDING CONTRACTOR'S POLE**  
**INSPECTION AND TREATMENT PROGRAMS RELATIVE TO BEST**  
**PRACTICES**

be repeated every three to five years, depending upon the decay hazard zone where the poles are located.

Excavating around poles may lead to an important shortcoming, unless supplemental treatments are specified by the Pole Owner. The addition of air and moisture to the new backfill may set up conditions more favorable to decay than if no excavation had occurred. Therefore, a supplemental pole treatment is recommended; otherwise, re-inspection cycles must be shortened.

If decay is found at the groundline or suspected during any of the above three procedures, excavation to at least 18" all the way around the pole is highly recommended. The pole can then be judged more accurately and be classified as sound and treated or recommended for replacement or strength restoration.

**1.5 18" to 24" Excavation Plus Sound and Bore and Plus Supplemental Treatment**

This inspection procedure constitutes the most thorough method known, but is nevertheless not perfect because of the variables previously discussed and because obstructions such as rock, adjacent buildings, sidewalks, keys, roots, risers, deep decay, underground cables, and other obstacles sometimes prevent "full" excavation and/or treatment with respect to depth, circumference, or both. Typically, once the excavation is made to improve inspection accuracy, the procedure also includes remedial preservative applications. Remedial preservatives help prolong pole life and avoid the problems resulting from soil disturbance described above. Otherwise, re-inspection cycles must be shortened. Used in conjunction with visual inspection, historical data shows approximately 98% of reject and priority poles will be found. This inspection procedure should be repeated every six to 10 years depending on the decay hazard zone where the poles are located.

**2.0 USING ELECTRONIC DEVICES**

All inspection methods may be augmented or replaced by the use of electronic devices if specified by the Pole Owner. The Shigometer® is one such device. It measures the pole's relative conductivity, which provides information on the presence of decay activity before the wood shows signs of physical breakdown. Another instrument attempts to predict the strength of individual poles based on the characteristics of sound waves. It does not identify the cause of reduced pole strength such as the presence of decay. However, it may provide an indication of low strength resulting from the inherent variability of new pole strength. All of these devices have limitations and will not detect all reject and priority poles.

**3.0 POLE TREATMENT**

The nature and extent of supplemental treatment work has been specified by the Pole Owner. A certain number of treated poles will barely meet the Pole Owner's specifications for treatment, rather than rejection. Most of these poles, after treatment, will provide some satisfactory continuing service, but the Pole Owner should be aware that a small percentage of poles will fall below strength requirements prior to the next recommended inspection cycle. These poles are in addition to the reject and priority poles not found during the inspection.

# Osmose Utilities Services, Inc.

## EXHIBIT B

### ADDITIONAL INFORMATION REGARDING CONTRACTOR'S POLE INSPECTION AND TREATMENT PROGRAMS RELATIVE TO BEST PRACTICES

#### 4.0 LINEMEN SAFETY CONSIDERATIONS

Linemen must inspect all poles to their satisfaction prior to climbing, whether or not such poles have been inspected by a third party contractor. An inspection and/or treatment tag on a pole is not a guarantee the pole is safe to climb. The Pole Owner should inform linemen that the inspection tag only means the pole was inspected in the stated year in accordance with the contract specifications. It is neither an expressed nor implied warranty that the pole meets NESC, GO 95, or any other standard. Linemen must also practice all other safety procedures when climbing poles and changing out or adding equipment or lines or cutting lines, all of which may create an unbalanced load. **An** unbalanced load may cause sound poles to fail. The Contractor's inspection is limited and most applicable to the groundline **and** does not indicate whether a pole is suitable to be climbed by a lineman.

*Shigometer is a registered trademark of Osmose, Inc.*





## **Request For Proposals**

**No. 17324**

## **Pole Inspection Treatment Services**

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Opening before 2:00 p.m. December 3, 2008

Modesto Irrigation District  
Modesto, California

# Request For Proposals

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1.

## REQUEST FOR PROPOSALS

Notice is hereby given that the Board of Directors of the Modesto Irrigation District, an irrigation district organized and existing under the laws of the State of California ("District"), will receive sealed Proposals for furnishing all labor, material, travel, technical, professional, administrative and other services, permits, licenses, supervision, equipment and facilities and all related expenses, and to perform all work necessary and required for the complete inspection of the District's transmission and distribution poles and the application of appropriate treatment to poles for the prevention and control of biological deterioration, all in strict accordance with the Contract for services and the specifications and instructions that are on file and may be obtained in the Purchasing Materials Department, at 929 Woodland Ave, Modesto CA 95351, during normal business hours.

Each Proposal shall be sealed and filed with the Purchasing Materials Supervisor before 2:00 p.m. Pacific Time on December 3, 2008 ("Closing Time"), at which time Proposals will be opened and available for review. Late Proposals will not be accepted, and will be time stamped and returned unopened to the Bidder.

Proposals shall be submitted on forms prepared by the District and in accordance with the specifications and instructions attached to this notice.

A valid California Class A Contractor's License and pesticide applicator's license will be required.

The work will be awarded to the lowest responsive and responsible bidder; provided, however, the District reserves the right to reject any or all Proposals and to waive any informality in proposals received.

Dated: November 10<sup>th</sup>, 2008

MODESTO IRRIGATION DISTRICT

By: Denise Ray  
Denise Ray, Purchasing Materials Supervisor

2.

## INSTRUCTIONSTO BIDDERS

Interested Bidder's shall submit one (1) original and one (1) copy of their response in accordance with this Request for Proposal. Proposal must be sealed and addressed as directed below. Proposal must be received by the District's Purchasing Materials Supervisor before 2:00 p.m. on December 3, 2008.

Mailed proposals shall be sent to:

RFP # 17324  
Purchasing Materials Supervisor  
Modesto Irrigation District  
P.O. Box 4060  
Modesto, CA 95352

Hand delivered or courier delivered proposals shall be delivered directly to:

RFP # 17324  
Purchasing Materials Handling Department  
Modesto Irrigation District  
929 Woodland Avenue  
Modesto, CA 95351

Modesto Irrigation District will not be responsible for late or misdirected proposal submittals. If proposals are mailed, bidder assumes all risk with regard to timely delivery.

Please refer questions regarding this RFP process to Denise Ray by e-mail: [deniser@rnid.org](mailto:deniser@rnid.org) or by telephone at (209) 526-7688.

Bids must be firm and remain valid for sixty (60) days from and after the stated Closing Time, or until a Contract is fully executed by District and a Bidder, whichever is earlier.

### **QUALIFICATIONS OF BIDDERS**

District will accept Proposals from qualified, licensed professionals who have been in the business of pole inspection and treatment for at least five (5) years. In order to be considered as a qualified Bidder, a Bidder must submit evidence of satisfactory completion of at least three (3) contracts similar in scope and magnitude to the District's. District will be the sole judge of whether the experience claimed by the Bidder is sufficient to meet these qualifications. Each Bidder shall have a current Class A California State Contractor's License and pesticide applicator's license will be required.

The District expressly reserves the right to reject any proposal if it determines that the business and technical organization, equipment, financial and other resources, or experience of the Bidder, compared to the work proposed justifies such rejection. Specifications may have additional qualification requirements. Bidder shall be responsible for reviewing and complying with all such requirements.

### **EXAMINATION OF CONTRACT DOCUMENT**

Any Bidder planning to submit a Proposal is responsible for examining with appropriate care the complete Contract Document, consisting of Request for Proposals, Instructions to Bidders, Evaluation Criteria, Insurance Requirements, Pricing Proposal, Contract, Scope of Work, Non-Discrimination Provision, Provisions Relating to Environment, and all addenda thereto, and is also responsible for informing itself with respect to all conditions that might in any way affect the cost or performance of the Work. Failure to do so will be at the sole risk of the Bidder, and no relief can be given for errors or omissions by the Bidder.

### **REQUEST FOR INFORMATION**

Direct all inquiries regarding the work or the specifications in writing to

Modesto Irrigation District  
Attention: Tom Williams, Project Manager  
P.O. Box 4060  
Modesto CA 95352  
Phone: (209) 557-7521  
Fax: (209) 526-7609

### **REVISIONS AND SUPPLEMENTS**

If it becomes necessary to revise or supplement any part of the Contract Document an addendum will be provided. Receipt of an addendum to the Contract Document by a Bidder must be acknowledged by executing and submitting the addendum signature sheet as part of the Bidder's proposal.

### **WITHDRAWAL OR MODIFICATION OF PROPOSALS**

Bidder's authorized representative may modify or withdraw Proposals only by written or facsimile request received by the Purchasing Materials Supervisor before the Proposal Submittal Closing Time.

### **PROPOSAL OPENING**

Proposals will be kept unopened until the time stated for opening of Proposals. At such time the Proposals will be made public. Opened Proposals will be the property of District and will not be returned to Bidders. All Bidders or their authorized representatives are invited to be present at the Proposal opening.

### **DURATION OF CONTRACT**

The initial contract term will be for two years with an option to renew at District's choice for additional one year periods up to a maximum of four (4) years.

### **PROPOSAL PREPARATION COSTS**

The costs of developing proposals are entirely the responsibility of the Bidder and District shall not be responsible for the reimbursement of any of the cost or expense incurred by a Bidder for or relating to the preparation of its Bid.

### **OTHER GOVERNMENT/PUBLICLY FUNDED AGENCIES:**

If mutually agreeable to all parties, the issuance of any resultant contract/purchase order referencing these specifications and modified by mutual agreement between all parties may be extended to other government or publicly funded agencies. It shall be understood that all terms and conditions as specified herein shall apply.

### 3.

### EVALUATION CRITERIA

Bid evaluation will be based on an analysis of Bidder's proposal and Bidder's ability to furnish the Work, including labor, materials and equipment, necessary for successful completion of District's project in a timely manner. The Contract will be awarded to the lowest responsible and responsive Bidder based on the Bidder's total proposal.

District will consider the qualifications of the Bidders, whether or not the proposals comply with the prescribed requirements, applicable law and contractual provisions, and such clarifications and other data as may be requested prior to the award of a Contract. District may conduct such investigations, as District deems necessary to assist in the evaluation of any proposal,

For the purpose of evaluating proposals, consideration will be given, but not limited to, the following:

- Information required to be submitted under the Contract Document, including without limitation the: Pricing Sheet, Signature Page, Non-Collusion Affidavit, Sales & Use Tax Form, Experience and Reference Statement, and addenda if issued;
- Ability, capacity, organization, technical qualifications, and skill of the Bidder to perform the Contract;
- The character, integrity, reputation, judgment, experience and efficiency of the Bidder;
- The ability of the Bidder to perform the Contract within the time specified;
- The previous and existing compliance by the Bidder with laws relating to the Contract;
- The quality of performance of previous contracts or services;
- Such other information as may be necessary or desirable and have a bearing on the Bidder's responsibility, including, without limitation, the Bidder's business judgment, pecuniary ability to do faithful and conscientious work, finance resources, promptness, suitability for the particular task, and the likelihood of performing faithful and satisfactory work.

District, in its discretion, may determine that a Bidder is not responsible under the conditions of its Bid and reject its Bid for any of the following reasons: (a) submission of more than one Bid from a Bidder under the same or a different name; (b) evidence of collusion with any other Bidder; (c) evidence that a Bidder is not qualified for the work involved to the extent of its Bid; (d) unsatisfactory performance record shown by past or current work; (e) incomplete work, whether for District or otherwise, which might hinder or prevent the prompt completion of the work bid upon; (f) failure to pay or settle bills for labor or materials on any former or current contract; (g) previous defaults by the Bidder in the performance of, or failure to complete, a written public contract, or conviction of a crime arising from a previous public contract; (h) any other inability, financial or otherwise, to perform the work.

## **AWARD OF CONTRACT**

The successful Bidder will be notified by District of District's intent to award the Contract. District shall thereafter, deliver final contract documents to Bidder along with a notice of award of the Contract. Upon receipt of such notice of award, the successful Bidder shall deliver to District within ten (10) days, three (3) fully executed copies of the Contract along with the required insurance certificates and bonds. District will promptly determine whether such Contract, certificates and bonds are as required by the Contract Document and upon such determination will forward a fully executed copy of the Contract to the successful Bidder.

The failure of the apparent successful Bidder to properly execute and return to District the Contract, certificates of insurance and bonds, within the specified time period, shall entitle District to declare a breach of Contract by such Bidder, and without waiving any rights, to award the Contract to another Bidder. Such entitlements shall be in addition to all other rights and remedies that District may have.



4.

## INSURANCE REQUIREMENTS

Contractor, at its sole cost and expense, and without limiting any of its other obligations or liabilities, shall maintain in effect at all times during the performance of the work under this Contract not less than the following coverage and limits of insurance, which shall be maintained with insurers and under forms of policies satisfactory to the District.

**A. Workers' Compensation**

Workers' Compensation insurance as required by the State of California, including Employers Liability limits of not less than one million dollars (\$1,000,000.00) per occurrence.

**B. Business Automobile or Comprehensive Automobile Insurance**

Business automobile or comprehensive automobile insurance including as applicable, owned, non-owned, and hired automobiles, in an amount not less than one million dollars (\$1,000,000.00) per occurrence combined single limit of bodily injury and property damage. If applicable, coverage shall include U.S. Department of Transportation Form MCS-90 (or comparable form required by other agencies) providing pollution coverage for transportation of hazardous waste.

**C. Commercial General Liability or Comprehensive General Liability Insurance**

Commercial general liability or comprehensive general liability insurance shall include, but not necessarily be limited to, coverage for premises and operations, contractual liability, personal injury liability, products/completed operations for the term of the contract and for at least two years after the completion of the work, and independent contractors, in an amount not less than one million dollars (\$1,000,000.00) per occurrence, combined single limit for bodily injury and property damage, two million dollars (\$2,000,000.00) aggregate.

All of Contractor's policies shall contain an endorsement providing that written notice by certified mail shall be given to the District at least thirty (30) calendar days prior to termination, cancellation or reduction of coverage in the policy.

Each Insurance policy required pursuant to this Contract excepting policies for Workers' Compensation, shall contain the following:

- (1) Endorsements naming the District, its directors, officers, agents, employees, and volunteers, and each of them, as insureds as respects liabilities arising out of the performance of any work under this Contract, and providing that such insurance is primary insurance as respects the interest of the District and that any other insurance maintained by the District is excess and not contributing insurance with the insurance required hereunder.
- (2) "Cross Liability" or "Severability of Interest" clause.
- (3) Provisions or endorsements stating that such insurance, subject to all of its other terms and conditions, applies to the liability assumed by Contractor under this Contract, including without limitation that set forth in the indemnity provisions of this Contract.

Contractor shall furnish the District with certificates of insurance and with original endorsements affecting coverage required by this Contract. The certificates and endorsements for each insurance policy shall make reference to all the provisions and endorsements referred to above, and shall be signed on behalf of the insurer by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the District before work commences. The District reserves the right to require complete certified copies of all required insurance policies at any time,

Any deductible or self-insured retentions must be declared to and approved by District. All such policies shall have an extended reporting period option or automatic coverage of not less than two years. If provided as an option, Contractor agrees to purchase the extended reporting period on cancellation or termination affected with a retroactive date, including at least *the* last policy year.

## 5.

## PRICING PROPOSAL

In response to the Request for Proposals, the undersigned Bidder hereby proposes to furnish all labor, material, travel, technical, professional, administrative and other services, permits, licenses, supervision, equipment and facilities and all related expenses, and to perform **all** work necessary and required to inspect and treat wood poles in *strict* accordance with **the** terms of this Contract Document and the final contract, for the Price of:

**IN-PLACE SOLELY-OWNED AND JOINTLY OWNED****DISTRIBUTION WOOD POLES**

| <b>Contract<br/>Section</b> | <b><u>Description</u></b>  | <b>Unit<br/>Cost</b>   |
|-----------------------------|--|------------------------|
| SW-3                        | Inspection Reports   | \$ 0 /pole             |
| <b>SW-4</b>                 | Visual Inspection  | \$ 5.50 /pole          |
| SW-5, 7                     | Partial Excavation with sound and bore   | \$ 18.96 /pole         |
| SW-5, 7                     | Complete Excavation <b>with</b> sound and bore<br>(includes Sections SW-8, 10, 11) | \$ 61.50 /pole         |
| <b>SW-3</b>                 | Install <b>Visibility</b> Strips   | \$ 5.00 /pole          |
| SW-3                        | Install Pole Numbers   | \$ 4.50 /pole          |
| SW-4, 7                     | Sound and bore only  | \$ 10.25 /pole         |
| * SW-6                      | Remove and replace concrete or pavement  | \$ 34.50 /pole- sq. ft |
| <b>SW-8</b>                 | Deep decay   | \$ 10.25 /pole         |
| SW-11                       | TREATMENT:   |                        |
|                             | SW-12, b External treatment  | \$ 3.00 /pole          |
|                             | SW-12, c Fumigant Treatment  | \$ 5.00 /pole          |
|                             | GPS shot at each pole, downloadable to District's <b>GJS</b>                       | \$ .50 /pole           |
|                             | Digital picture of each pole, downloadable to District's GIS                       | \$ 2.05 /pole          |
|                             | Transformer Connectivity Survey  | \$ 24.65/transformer   |
|                             | Optional<br>Internal Treat Hollow Heart  | \$ 15.00 / pole        |
| * See cover letter          |  |                        |

**IN-PLACE SOLELY-OWNED AND JOINTLY OWNED**

**TRANSMISSIONWOOD POLES**

| <b><u>Contract</u></b> | <b><u>Description</u></b>   | <b><u>Unit</u></b>       |
|------------------------|---|--------------------------|
| <b><u>Section</u></b>  |   | <b><u>cost</u></b>       |
| SW-3                   | Inspection Reports  | \$ 0 /pole               |
| <b>SW-4</b>            | Visual Inspection   | \$ 6.00 /pole            |
| SW-5, 7                | Partial Excavation with sound and bore                                      | \$ 21.06 /pole           |
| SW-5, 7                | Complete Excavation with sound and bore<br>(includes Sections SW-8, 10, 11) | \$ 82.00 /pole           |
| SW-3                   | Install Visibility Strips   | \$ 5.00 /pole            |
| SW-3                   | install Pole Numbers  | \$ 4.50 /pole            |
| <del>SW-4, 7</del>     | <del>Sound and bore only</del>  | <del>\$ 12.81/pole</del> |
| * SW-6                 | Remove and replace concrete or pavement                                     | * \$ 34.50 /pole sq. ft  |
| SW-8                   | Deep decay  | \$ 13.07 /pole           |
| SW-11                  | TREATMENT:  |                          |
|                        | SW-12, b External treatment   | \$ 3.95 /pole            |
|                        | <b>SW-12, c</b> Fumigant Treatment  | \$ 7.50 /pole            |
|                        | GPS shot at each pole, downloadable to District's GIS                       | \$ .50 /pole             |
|                        | Digital picture of each pole, downloadable to District's GIS                | \$ 2.05 /pole            |
|                        | Optional  |                          |
|                        | <b>Internal Treat Hollow Heart</b>  | \$ 17.75/pole            |
|                        | * See cover letter  |                          |

Bidder certifies that Bidder has examined and **is** fully familiar with all of the provisions of the Contract Document **and** any addendum thereto; that Bidder **is** submitting a proposal **in** strict accordance therein; and that Bidder **has** carefully reviewed the accuracy of all attachments to **this** Proposal.

Bidder agrees that this Proposal constitutes a firm offer to the District, which cannot be withdrawn for sixty (60) days from the date of actual opening of proposals. If awarded the Contract, Bidder agrees to execute and deliver to the District within ten (10) calendar days after receipt of District's Notice of Award, the executed Contract and required insurance certificates **and** bond forms.

Attached **is** the Bidder's Experience Statement (Page 17), which has been completed **by** respondent and made a part of this proposal.

Table 2. Consumer Price Index for All Urban Consumers (CPI-U): Seasonally adjusted U.S. city average, by expenditure category and commodity and service group-Continued

(1982-84=100, unless otherwise noted)

| CPI-U   | Seasonally adjusted indexes |              |              |              | Seasonally adjusted annual rate percent change for |              |              |              |                 |              |
|---|-----------------------------|--------------|--------------|--------------|--|--------------|--------------|--------------|-----------------|--------------|
|   |                             |              |              |              | 3 months ended—                                    |              |              |              | 6 months ended— |              |
|   | July<br>2008                | Aug.<br>2008 | Sep.<br>2008 | Oct.<br>2008 | Jan.<br>2008                                       | Apr.<br>2008 | July<br>2008 | Oct.<br>2008 | Apr.<br>2008    | Oct.<br>2008 |
| Expenditure category  |                             |              |              |              |  |              |              |              |                 |              |
| Recreation <sup>2</sup> .....                                     | 113.264                     | 113.876      | 114.120      | 114.214      | 1.6  | 1.2          | 2.4          | 3.4          | 1.4             | 2.9          |
| Video and audio <sup>2</sup> .....                                | 102.195                     | 102.658      | 102.801      | 102.168      | .8   | -1.5         | -2.9         | -1.1         | -.4             | -1.5         |
| Education and communication <sup>2</sup> .....                    | 124.226                     | 124.505      | 124.615      | 124.888      | 2.8  | 3.3          | 5.5          | 2.1          | 3.0             | 3.8          |
| Education <sup>2</sup> .....                                      | 181.582                     | 182.734      | 183.462      | 184.260      | 6.7  | 5.4          | 5.3          | 6.0          | 6.0             | 5.7          |
| Educational books and supplies .....                              | 447.821                     | 459.494      | 461.555      | 462.451      | 6.2  | 4.8          | 5.6          | 13.7         | 5.5             | 9.6          |
| Tuition, other school fees, and childcare .....                   | 523.254                     | 525.789      | 527.863      | 530.257      | 6.7  | 5.4          | 5.3          | 5.5          | 6.1             | 5.4          |
| Communication <sup>2</sup> .....                                  | 84.840                      | 84.702       | 84.528       | 84.538       | -1.3   | 1.3          | 5.7          | -1.4         | .0              | 2.1          |
| Information and information processing <sup>1 2</sup> .....       | 81.965                      | 81.815       | 81.635       | 81.652       | -1.5   | 1.4          | 5.3          | -1.5         | -.1             | 1.8          |
| Telephone services <sup>1 2</sup> .....                           | 101.339                     | 101.301      | 101.311      | 101.407      | -.5  | 2.4          | 7.6          | .3           | .9              | 3.9          |
| Information technology hardware and services <sup>1 5</sup> ..... | 10.087                      | 10.012       | 9.901        | 9.874        | -5.9   | -2.3         | -3.2         | -8.2         | -4.1            | -5.7         |
| Personal computers and peripheral equipment <sup>1 6</sup> .....  | 94.711                      | 92.921       | 90.797       | 89.945       | -12.2  | -8.2         | -15.7        | -18.7        | -10.2           | -17.2        |
| Other goods and services .....                                    | 346.962                     | 347.715      | 348.540      | 349.441      | 3.9  | 4.8          | 4.6          | 2.9          | 4.4             | 3.7          |
| Tobacco and smoking products <sup>1</sup> .....                   | 596.782                     | 597.361      | 597.581      | 599.744      | 8.9  | 2.6          | 14.9         | 2.0          | 5.7             | 8.3          |
| Personal care .....   | 201.660                     | 202.169      | 202.768      | 203.231      | 2.5  | 5.5          | 1.8          | 3.2          | 4.0             | 2.5          |
| Personal care products .....                                      | 158.989                     | 159.252      | 159.643      | 159.826      | -.5  | 3.1          | -1.0         | 2.1          | 1.3             | .5           |
| Personal care services <sup>1</sup> .....                         | 223.719                     | 224.151      | 224.614      | 225.564      | 3.8  | 5.3          | 1.7          | 3.3          | 4.6             | 2.5          |
| Miscellaneous personal services .....                             | 340.264                     | 341.606      | 343.441      | 343.498      | 4.8  | 6.1          | 3.6          | 3.9          | 5.4             | 3.8          |
| Commodity and service group                                       |                             |              |              |              |  |              |              |              |                 |              |
| Commodities .....   | 180.657                     | 179.687      | 179.530      | 175.334      | 11.5   | .8           | 17.0         | -11.3        | 6.0             | 1.9          |
| Food and beverages .....  | 215.539                     | 216.778      | 217.996      | 218.569      | 4.6  | 6.1          | 8.0          | 5.7          | 5.4             | 6.9          |
| Commodities less food and beverages .....                         | 160.622                     | 158.775      | 158.058      | 152.036      | 15.6   | -2.0         | 22.3         | -19.7        | 6.4             | -.9          |
| Nondurables less food and beverages .....                         | 211.267                     | 207.465      | 205.585      | 194.214      | 29.9   | .5           | 35.4         | -28.6        | 14.3            | -1.7         |
| Apparel .....   | 119.574                     | 120.157      | 120.005      | 118.843      | 4.6  | -4.6         | 4.2          | -2.4         | -.1             | .8           |
| Nondurables less food, beverages, and apparel .....               | 275.811                     | 270.166      | 266.376      | 245.230      | 38.4   | 2.4          | 52.4         | -37.3        | 19.1            | -2.3         |
| Durables .....  | 111.425                     | 111.140      | 110.513      | 109.868      | -.2  | -2.1         | .0           | -5.5         | -1.2            | -2.8         |
| Services .....  | 257.269                     | 257.642      | 257.662      | 257.742      | 3.7  | 3.4          | 6.2          | .7           | 3.6             | 3.4          |
| Rent of shelter <sup>1</sup> .....                                | 257.576                     | 257.717      | 258.498      | 258.583      | 3.7  | .8           | 2.9          | 1.6          | 2.2             | 2.2          |
| Tenants' and household insurance <sup>1 2</sup> .....             | 118.764                     | 118.562      | 119.944      | 119.916      | 2.8  | 3.4          | 1.2          | 3.9          | 3.1             | 2.5          |
| Gas (piped) and electricity <sup>3</sup> .....                    | 214.896                     | 212.549      | 205.785      | 205.538      | .6   | 27.0         | 35.9         | -16.3        | 13.0            | 6.7          |
| Water and sewer and trash collection services <sup>2</sup> .....  | 151.857                     | 153.832      | 154.269      | 155.827      | 6.7  | 3.8          | 6.4          | 10.9         | 5.3             | 8.6          |
| Household operations <sup>1 2</sup> .....                         | 148.290                     | 149.169      | 150.193      | 150.052      | 5.2  | 8.5          | 7.1          | 4.8          | 6.9             | 5.9          |
| Transportation services .....                                     | 246.409                     | 248.277      | 248.422      | 247.447      | 5.2  | 3.8          | 10.4         | 1.7          | 4.5             | 5.9          |
| Medical care services .....                                       | 385.353                     | 386.458      | 387.876      | 388.489      | 5.9  | 1.6          | 3.6          | 3.3          | 3.3             | 3.4          |
| Other services .....  | 296.752                     | 297.887      | 298.481      | 298.953      | 3.5  | 3.4          | 4.8          | 3.0          | 3.5             | 3.9          |
| Special indexes   |                             |              |              |              |  |              |              |              |                 |              |
| All items less food .....   | 219.806                     | 219.250      | 218.972      | 216.434      | 7.1  | 1.7          | 10.9         | -6.0         | 4.4             | 2.1          |
| All items less shelter .....                                      | 210.755                     | 210.264      | 209.885      | 206.884      | 8.4  | 3.0          | 14.4         | -7.1         | 5.7             | 3.1          |
| All items less medical care .....                                 | 211.774                     | 211.433      | 211.322      | 209.135      | 6.9  | 2.4          | 11.2         | -4.9         | 4.6             | 2.8          |
| Commodities less food .....                                       | 162.695                     | 160.922      | 160.267      | 164.412      | 15.1   | -1.8         | 21.5         | -18.9        | 6.3             | -.7          |
| Nondurables less food .....                                       | 212.335                     | 208.004      | 206.042      | 195.181      | 28.0   | 2.1          | 34.4         | -28.6        | 14.3            | -2.0         |
| Nondurables less food and apparel .....                           | 269.125                     | 263.228      | 259.597      | 241.328      | 34.9   | 3.7          | 47.7         | -35.3        | 18.3            | -2.3         |
| Nondurables .....   | 215.067                     | 213.122      | 212.583      | 207.029      | 15.6   | 4.5          | 21.8         | -14.1        | 9.9             | 2.3          |
| Services less rent of shelter <sup>4</sup> .....                  | 276.996                     | 277.598      | 276.660      | 276.380      | 3.6  | 6.7          | 11.1         | -.9          | 5.1             | 4.9          |
| Services less medical care services .....                         | 246.945                     | 247.327      | 247.172      | 247.197      | 3.2  | 3.7          | 6.8          | .4           | 3.4             | 3.5          |
| Energy .....  | 270.602                     | 262.107      | 257.086      | 235.053      | 43.6   | 5.6          | 79.4         | -43.1        | 23.1            | 1.1          |
| All items less energy .....                                       | 215.529                     | 216.080      | 216.528      | 216.484      | 3.4  | 2.0          | 4.2          | 1.8          | 2.7             | 3.0          |
| All items less food and energy .....                              | 216.230                     | 216.650      | 216.956      | 216.801      | 3.1  | 1.2          | 3.5          | 1.1          | 2.2             | 2.3          |
| Commodities less food and energy commodities .....                | 140.792                     | 140.885      | 140.655      | 140.136      | 1.2  | .7           | 3.7          | -1.9         | .3              | .1           |
| Energy commodities .....  | 340.411                     | 325.603      | 321.888      | 278.005      | 82.5   | -6.1         | 913.5        | -55.5        | 30.9            | -2.5         |
| Services less energy services .....                               | 261.729                     | 262.367      | 263.046      | 263.159      | 3.9  | 1.9          | 4.1          | 2.2          | 2.9             | 3.2          |

<sup>1</sup> Not seasonally adjusted.

<sup>2</sup> Indexes on a December 1997=100 base.

<sup>3</sup> This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

<sup>4</sup> Indexes on a December 1982=100 base.

<sup>5</sup> Indexes on a December 1988=100 base.

<sup>6</sup> Indexes on a December 2007=100 base.

NOTE: Index applies to a month as a whole, not to any specific date.

**Bidder** certifies that he **is** currently licensed as a contractor under the California State Contractors License law to perform all work required under *this* contract (if applicable).

Bidder's California State  
Contractor's License #: 855333

License Expiration Date: 3/31/09

Type of Contractor's License: C61/D12 C61/D31A

**SIGNATURE PAGE**

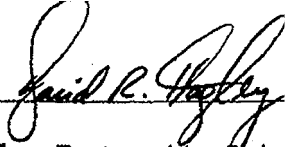
Submitted by,

**BIDDER'S BUSINESS NAME** (type or print):

Osmose Utilities Services, Inc.

By (print name): David R. Hagley

Signature: \_\_\_\_\_



Type of Business (Corp, Partnership, Sole Proprietorship). If Corporation, what State of incorporation: Corporation - Delaware

Business Address: 215 Greencastle Road

Tyrone, GA 30290

City, State & Zip .

Business Phone: 770-632-6700

Business Fax: 678-364-0844

Business e-mail: osmosecontracts@osmose.com

Date Signed: December 5, 2008

# NON-COLLUSION AFFIDAVIT

State of ~~California~~ Georgia )  
County of Fayette ) ss.

David R. Hagley [Name of Person Executing Bid], being first duly sworn,  
deposes

and says that he or she is Vice President-Contracts [Title] of **Osmose Utilities Services, Inc.**  
[Name of Company] the party making the foregoing bid; that the **bid** is not made in the  
interest of, or on behalf of, any undisclosed person, partnership, company, association,  
organization, or corporation; that the **bid** is genuine and not collusive or sham; that the  
bidder **has** not directly or indirectly induced or solicited any other bidder to put in a false  
or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed  
with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from  
bidding; that the bidder has not in any manner, directly or indirectly, sought by Contract,  
communication, or conference with anyone to fix the **bid** price of the bidder or any other  
bidder, or to fix any overhead, profit, or cost element of the bid price, or that of any other  
bidder, or to secure any advantage against the public body awarding the contract or  
anyone interested in the proposed contract; that **all** statements contained in the **bid** are  
true; and, further, that the bidder has not, direct or indirectly, submitted his or her bid  
price or any breakdown thereof, or the contents thereof, or divulged information or data  
relative thereto, or **paid**, and will not **pay**, any fee to any corporation, partnership,  
company association, organization, bid depository, or to any member or agent thereof to  
effectuate a collusive or sham bid.

David R. Hagley  
(Signature)

Witness my hand and official seal.

Linda M. Pearson  
(Notary)

My Commission Expires  
11/01/2012



### SALES & USE TAX FORM

Complete the following information to cover all taxable items to be provided under the Contract. The information provided will be used as for compliance with California's sales and use tax requirements.

- ☐ Bidder is a California vendor or a California registered vendor required to bill and collect California Sales Tax.

California State Registration Number: \_\_\_\_\_

- ☐ Bidder is not required to bill and collect California Sales Tax.

Reason: \_\_\_\_\_

- ☒ Bidder shall pay all sales/use taxes and such amounts are included in the Lump Sum Price set forth in this Bid.

#### Sales and Use Tax Breakdown

Total Lump Sum Bid Price: \$ \_\_\_\_\_

Non-Taxable Total: \$ \_\_\_\_\_

Taxable Total: \$ \_\_\_\_\_

Tax Rate:   \_\_\_ 7.375% - Stanislaus County \$ \_\_\_\_\_  
              \_\_\_ 7.75% - San Joaquin County \$ \_\_\_\_\_  
              \_\_\_ 8.75% - Alameda County \$ \_\_\_\_\_  
              \_\_\_ 7.375% - Other \$ \_\_\_\_\_

Ship to Location: \_\_\_\_\_

Sales tax shall be billed pursuant to the payment provisions of the Contract, with the various amounts (taxable, sales tax, other) separately identified.

## EXPERIENCE AND REFERENCE STATEMENT

Bidder submits, as a part of ~~its~~ proposal, the following statements as to its experience and qualifications. The Bidder certifies that all statements and information set forth below are true and accurate.

- Bidder has been engaged in the business of Utilities Services under its present business name for 6 years. (**See Company History**)
- Bidder's experience *in* work of a similar nature in type and magnitude to that set forth in the RFP and Contract extends over a period of 74 years.
- Provide the firm's Workers compensation Experience Modification Rating for the current and three prior years: See attached

- Financial; References: M&T Bank  
One M&T Plaza  
Buffalo NY 14203  
Mike Prendergast  
716-842-5862

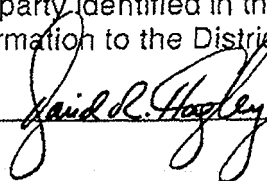
- List at least three references for work of a similar nature performed within the last three years. (Description of work, Year completed, Dollar amount rounded to closest thousand dollars)

See attached lists

- Describe **all** state and federal OSHA citations and reportable incidents involving the firm in the last five (5) years.  
See attached OSHA Investigation

By completing this *Experience* and Reference Statement, Bidder authorizes the District, its agents and employees, to communicate with and obtain information from any party identified in such statement, and authorizes any party identified in the Experience and Reference Statement to furnish and release information to the District, and its agents and employees.

(Signature)





January 16, 2008

Ms. Jeanne O'Connell-Gedra  
Osmose Holdings Inc  
980 Ellicott Street  
Buffalo, NY 14209-2398

Re: Workers Compensation Experience Rating Modification

Dear Jeanne:

The purpose of this letter is to confirm your Workers Compensation Experience Rating Modification factor for the years 2005 through 2008.

The modification factors for the subject years are as follows:

|                  |      |
|------------------|------|
| 1/1/05 to 1/1/06 | 1.12 |
| 1/1/06 to 1/1/07 | .93  |
| 1/1/07 to 1/1/08 | .66  |
| 1/1/08 to 1/1/09 | .68  |

If you should have any questions, please do not hesitate to call me.

Thank you for this opportunity to be of service.

Sincerely,

*Judy Ellcome*

Judith J. Ellcome  
Commercial Lines Manager



**CUSTOMER REFERENCES**  
**POLE INSPECTION, TREATMENT AND RESTORATION SERVICES**

| <b>CUSTOMER NAME</b>                               | <b>WORK TYPE</b> | <b>CONTACT</b>   | <b>CONTACT INFORMATION</b>                                  |
|--|------------------|------------------|---|
| <b>Pacific Gas and Electric</b>                    | PIT / PR         | Daran M. Santi   | PHONE: (415) 973-2942<br>E-MAIL DMS8@pge.com                |
| <b>PacificCorp</b>                                 | PIT / PR         | Joe Veltri       | PHONE: (801) 220-7412<br>E-MAIL: joe.veltri@pacificcorp.com |
| <b>Hawaiian Electric Company</b>                   | PIT / PR         | Mark Simmonds    | PHONE: (808) 543-7376<br>E-MAIL: mark.simmonds@heco.com     |
| <b>Tacoma Power</b>                                | PIT / PR         | Tim Ross         | PHONE: (253) 502-8545<br>TROSS@ci.tacoma.wa.us              |
| <b>Snohomish County Public Utility District #1</b> | PIT              | Stephen Stagvik  | PHONE: (425) 783-5575<br>SNStagvik@SNOPUD.com               |
| <b>Clatskanie Public Utility District</b>          | PIT              | Denise Palm-Yeln | PHONE: (503) 728-2163<br>denisepy@clatskaniepubd.com        |
| <b>Central Electric Cooperative, Inc.</b>          | PIT              | M.L. Norton      | PHONE: (514) 312-7774<br>nnorton@cec-co.com                 |
| <b>Turlock Irrigation District</b>                 | PIT              | Kirk Tabar       | PHONE: (209) 883-8349<br><dtabar@tid.org                    |
| <b>Sacramento Municipal Utility District</b>       | PIT              | William Carnes   | PHONE: (916) 732-6716<br>vcarnes@smud.org                   |

## Bidders Experience

|                              | Value of 2007<br>Services | Type of Work |  |
|------------------------------|---------------------------|--------------|--|
| <u>Firm Name</u>             |                           | <u>GL/PR</u> | <u>Contact Name/Phone/E-Mail</u>                           |
| Cheyenne Light, Fuel & Power | \$75,000                  | PIT          | Bill Stockman, 307-778-2164                                |
| Clatskanie PUD               | \$90,000                  | PIT          | Jack Kolze, Keene Basso (503)728-2163                      |
| Lost River Electric          | \$97,000                  | PIT          | Bo Betzer, 208-588-3311                                    |
| Nevada Power                 | \$221,225                 | PIT          | Tom Healey, - Contracts Administrator 702-657-4108         |
| Pacific Gas and Electric     | \$6,938,220               | PIT          | Mr. Daran M. Santi, 415-973-2942, <b>DMS8@pge.com</b>      |
| PacificCorp                  | \$6,053,183               | PIT          | Joe Veitri, 801-220-7412, joe.veitri@pacificcorp.com       |
| Salmon River Electric        | \$42,000                  | PIT          | Rick Leuzinger, 208-879-2283                               |
| Salt River Project           | \$555,545                 | PIT          | Larry White, 602-236-8317, riwhite@srpnet.com              |
| San Diego Gas & Electric     | \$725,664                 | PIT          | Jim Miles, 858-654-8602, <b>JMiles@semprautilities.com</b> |

Osmose Utilities Services, Inc.  
September 8, 2004 OSHA Investigation Description

A virtually impossible to predict guy wire failure resulted in the death of an experienced 14-year Foreman with over 100,000 safe crew hours in the State of Alabama. This employee **was** installing a guy marker on a transmission pole guy wire. The guy wire broke at the anchor eye below ground, causing the employee to **fall** backwards. The broken guy wire came in contact with the employee **and** underbuilt distribution electrical lines at the same time, resulting in **electrocution** and death.

**OSHA** investigated and did not issue **any** citations, This tragic accident was communicated to all employees, and electrical safety training and personal protective equipment was evaluated by various Osmose operational groups and the *Osmose* Central **Safety** Committee. **Detailed** training procedures were developed to evaluate the condition of buried guy wires that are likely to **be** corroded, **as well as** guy marker installation procedures to keep employees from working between a guy wire and a pole.

**Inspection: 308015544 - Osmose Utilities Services, Xnc.**

| Inspection Information - Office: Birmingham  |                    |  |
|--|--------------------|--|
| Nr: 308015544  | Report ID: 0418300 | Open Date: 09/08/2004  |
| Osmose Utilities Services, Inc.<br>Highway 91 Near Copper Head Road<br>Tuscaloosa, AL 35080  |                    | Union Status: NonUnion   |
| SIC: 9999/Nonclassifiable Establishments<br>NAICS: 321114/Wood Preservation<br>Mailing: 282 Highland Park Drive, Birmingham, AL 35242      |                    |  |
| Inspection Type: Accident<br>Scope: Complete<br>Ownership: Private<br>Safety/Health: Safety<br>Emphasis: L: Occupational Safety and Health |                    | Advanced Notice: N<br><br>Close Conference: 09/08/2004<br>Close Case: 12/17/2004 |
| Optional Information: Type ID Value<br>N 10 IMMLANG-N  |                    |  |
| Related Activity: Type ID Safety Health<br>Accident 101272953  |                    |  |



## COMPANY HISTORY ( INTRODUCTION TO OSMOSE )

Osmose's mission is to help utilities improve the performance and lower the costs of distribution and transmission networks. For over Seventy years, Osmose has provided an array of industry leading maintenance services and materials designed to extend the useful life of critical infrastructure. These include wood pole maintenance, pole restoration, pole load analysis software, transformer maintenance, steel tower and anchor corrosion programs, grounding systems and vegetation management.

In recent years, Osmose has leveraged its capabilities to hire, train and manage small mobile crews. We have an extensive portfolio of field data acquisition services designed to help utilities improve reliability, increase revenues and lower costs. These include Facility Inspections, Streetlight and Joint Use inventories, Connectivity and Phasing surveys, GIS attribute collection and more. The acquired data can be delivered in many different geospatial formats.

Today, utilities consider their information systems and databases to infrastructure that is equally as critical as poles, cables and transformers. Osmose data services provide utilities with the highly accurate data they require to achieve the savings expected from GIS, OMS, WMS and engineering software systems. FastGate® Mobile supports data acquisition, while FastGate enables data delivery, data maintenance and systems integration.

### **The Osmose Family of Companies History and Origin**

During the early 1930's, Dr. Carl Schmittutz of Bad Kissingen, Germany invented a process and formula for the preservation of wood. He organized the Osmose Wood Impregnating Company of Leipzig, Germany, and obtained patents for this process in many countries throughout the world, including the United States and Canada. The F.W. Woolworth Co. (well known as the "5 and Dime" Store) had accumulated large reserves of capital in German banks through the highly successful operation of numerous stores in cities all across Germany. In 1932, the German government froze the transfer of any German currency or profits. To circumvent this government order, the Woolworth Company purchased patents for the Osmose process of wood preservation from Dr. Schmittutz and organized the General Osmose Corporation.

On November 13, 1934, Osmose Wood Preserving Co. of America, Inc. was organized in the State of New York to market this patented wood preservation technology in the United States and Canada. In 1940, Osmose sold its Canadian rights to Osmose Wood Preserving Co. of Canada, Ltd. (Montreal). Woolworth remained the largest stockholder in Osmose until 1953. In the 1980's the name was shortened to Osmose Wood Preserving, Inc., and further shortened in 1998 to Osmose, Inc. On January 1, 2003 the company was incorporated as Osmose Holdings, Inc., and three subsidiaries were created; (1) Osmose, Inc., (2) Osmose Utilities Services, Inc. and (3) Osmose Railroad Services, Inc.

The original Osmose patents described a preservative process using sodium fluoride, potassium bichromate, sodium arsenate and dinitrophenol. This preservative was known in the industry as "FCAP" preservative. Penetration of preservatives was achieved through the process of diffusion or "osmosis" into green wood or wood of high moisture content. One early commercial use in the United

# Osmose.

States was a timber dipping and stacking process used by coal mines. These mines had a plentiful supply of green timbers which could be treated on site for use as mine timbers. Another early use was the development of a paste formulation of **FCAP** preservative for in-place treatment of utility poles in the groundline area. Similar formulations and processes are still in use today for the groundline treatment of utility poles.

Osmose has been afforded many opportunities of diversification into specialized areas **of wood** preservation and other types of businesses. An overview of Osmose Holdings, Inc. and its subsidiary companies is outlined in the following sections.

## **Osmose Holdings, Inc. – Corporate Headquarters**

All corporate functions, including the Executive, Finance, Manufacturing, Research and Accounting Departments, are located in Buffalo, New York.

The Research Group helps to develop new preservatives and treatment products. Staffed with wood technologists, chemists, microbiologists and analytical technicians, the Research Group supports Osmose affiliated companies and their customers with technical expertise, testing and analytical services.

Osmose manufacturing facilities produce highly specialized products and materials that are used by Osmose field crews and/or sold to utility, railroad and wood treating plant customers. Osmose Utilities Services products such as **COP-R-PLASTIC** and PoleWrap are manufactured in the Buffalo manufacturing facility. Additional manufacturing plants are located in Millington, Tennessee; Rock Hill, South Carolina; Campbellville, Ontario (Canada) and Tangent, Oregon.

## **Osmose Utilities Services, Inc.**

Osmose Utilities Services, Inc. provides inspection, data and maintenance services and products to utilities throughout North America. Known originally for the manufacture of remedial wood preservatives and for the inspection and treatment of in-service poles, Osmose has recently expanded its area of expertise and the services and products that it offers.

**Pole** inspection, remedial treatment, pole restoration and pole maintenance products remain the foundation for Osmose core services. As Osmose has expanded its knowledge of utility infrastructure, new inspection and maintenance services were developed for padmounted transformers, steel towers and poles, grounding systems and the control of undesirable right-of-way vegetation with herbicides.

The most significant diversification has been into the world of utility data services and software. Osmose has responded to utility needs for accurate data that is necessary to power operations software and **GIS** (Geographic Information Systems) applications. These automated systems, such as Outage Management, are intended to help operate Transmission and Distribution systems more efficiently. Osmose utilizes its leading FastGate technology to provide field data collection, data migration, custom software and mobile computing applications.



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## **Osmose Railroad Services, Inc.**

Headquartered in Madison, Wisconsin, Railroad Services provides inspection and engineered repair services to the owners of timber, concrete, and steel bridges and structures throughout the **United States** and Canada. Railroad Services also provides specialty products that provide protection for railroad ties.

## **Osmose, Inc.**

Osmose, Inc. is headquartered in Griffin, Georgia, and is responsible for the sale of Osmose brand wood preservatives and treating plant equipment to wood treating plants around the world. Osmose, Inc. is recognized as the premier supplier of state-of-the-art engineering services and customized marketing services, with emphasis on advertising, sales promotions, and merchandising assistance for treating plant customers and retail lumber dealers serviced by these plants. The Company has achieved great success in marketing specialty additive products, including color additives, mold inhibitors, and water repellents for use with wood preservatives.

Osmose, Inc. operates a number of groups and subsidiaries, including the Consumer Products Group, which distributes brush-on water repellents, stains and specialty fasteners through retail lumber dealers. In addition, the Company maintains a television and radio production facility to provide highly specialized audio and video services, including TV and radio commercials, corporate videos and training presentations.

Osmose's wood preservation expertise in the pressure treating and utility industries extends throughout the world. Osmose sells external, internal and fumigant pole treatments, and restoration and repair products, to utility companies worldwide. Osmose is also a major player in the global wood preservation market, providing industrial wood preservatives, treating plant engineering and process control services, and canned preservatives and decorative products. Osmose subsidiaries or operating units outside of the United States include:

- Timber Specialties Co. based in Campbellville, Ontario (Canada).
- Osmose UK operates in the United Kingdom, Ireland, Asia and the Far East.
- Osmose Australia, based in Sydney, and Osmose New Zealand, headquartered in Auckland.
- Osmose Nordic: The Osmose Nordic group is headquartered in Copenhagen and with subsidiaries in Sweden, Norway, and Finland.

## **TRU-CHECK, Inc.**

Tru-Check provides contract meter reading, automatic meter reading device installation and maintenance, meter testing and meter exchange programs to utilities. Osmose Holdings, Inc. owns 50% of Tru-Check.



## Company Profile Information

Osmose Utilities Services, Inc.  
215 Greencastle Road  
Tyrone, GA 30290  
(770) 632-6700

- Larry B Larson, President
- Osmose is a US Company headquartered in Tyrone, Georgia.
- Osmose is a Private Corporation currently employing approximately 1,800 people across the United States.

### Osmose Utilities Services, Inc.

Osmose is one of the best known and respected brand names in the utility industry. This reputation has been built with high quality products and contract services. Osmose believes that it is best served by putting the interests of our customers first and foremost. Most utility managers will choose to buy critical services from people who consistently perform as promised. This is the basis of our business philosophy.

Osmose provides a variety of services to utilities. These services are intended to improve the reliability of our customer's transmission and distribution systems, while reducing their cost. Wood pole inspection and treatment, pole restoration and material sales are the core businesses that spawned the other services now offered by Utilities Services. In the Utility world, Osmose personnel have always been known as "the pole people". Our reputation for quality contract services has extended to Data Services, Right-Of-Way Vegetation Management, Grounding System Evaluation and Maintenance, Padmounted Transformer Inspection and Repair, and Steel Tower Corrosion Protection services.

What follows is a brief description of various Utilities Services contract services.

### Pole Inspection & Treatment Services

Pole inspection and treatment is still the largest service offered by Osmose. There are a number of acceptable ways to inspect poles, depending on the customer's objectives, their budget, and the species of poles in service. Our goal is to provide accurate inspections to reduce a utilities' risk of pole failures, reduce costs and improve the reliability of their system.

Osmose remedial treatments for wood poles are the most effective that are available. The timely application of remedial treatments on a cyclical basis can save a utility millions of dollars per year in avoidable pole replacement costs.



Frequently add-on services will be performed along with wood pole inspection and treatment. These may include pole numbering, attachment surveys, inspection of the grounding system, inspection of anchors and guy wires, and inspection of overhead equipment.

In addition to wood pole inspection and treatment, Osmose offers a variety of additional field crew services that allow utilities to extend asset life, increase system reliability and save money:

**Right-of-way Services:** Utilities spend millions of dollars each year cutting brush and trimming trees to prevent outages and allow safe and quick access to poles. Once a right-of-way has been reasonably cut and trimmed, it is less damaging to the environment and significantly less costly to maintain it by using selective herbicides rather than to cut it again with heavy equipment. Selective herbicides control the growth of unwanted tall and woody species, while encouraging the growth of wildflowers and grasses. The skills and habits that are necessary to correctly apply herbicides are similar to those required to apply remedial treatments to wood poles. Safe handling and application techniques, and protection of the environment are critical.

**Grounding System Inspection and Maintenance:** Osmose grounding system services help improve system reliability, help prevent and minimize hazards, and improve public safety and personal safety. Improving the direct path to ground for lightning strikes provides circuit protection and allows reclosers and switches to function properly, protecting above-ground electrical equipment by lowering ground resistance. An Osmose field crew can check and evaluate the condition of a pole's grounding system, and can measure ground resistance and compare it to a customer's specifications.

**Steel Tower Inspection and Maintenance:** Transmission towers are the backbone of a utilities transmission system. Even brief outages can have a huge impact on revenue, customers and reliability. While only 20% of failures occur on transmission lines, they have a far greater impact than the other 80% of distribution outages. Conditions leading to a failure include structural degradation, rust, corrosion, concrete damage and grounding problems. Osmose steel tower inspection services include evaluation of overhead facilities and groundline conditions, Osmose steel tower maintenance services include footing, concrete and/or steel repair, repainting steel structures, concrete pad sealing, and bolting and welding repair plates.

**Padmount Transformer Inspection and Maintenance:** Rusted, corroded or weathered padmount transformer cabinets can contribute to outages, safety hazards and customer complaints. Osmose services can extend the useful life of the cabinet, promoting increased reliability of electrical service while enhancing the appearance of these highly visible pieces of equipment. Osmose crews are trained and certified to work safely around padmount transformers. The crew can inspect the transformer cabinet externally and internally to evaluate its condition and create an inventory record. Removal of insects, plant life and debris helps reduce the possibility of an electrical failure. Pesticides may be placed inside the cabinet to help control future growth of plants and the return of insects or animals. Non-contact, laser-sighted infrared temperature tests may be used to detect elevated temperatures caused by dangerous arcs or other conditions. Padmount transformers that are tilted can be leveled and backfilled with materials specifically formulated for this duty. Lines and leads within the cabinet can be tagged to customer specifications for easier identification and future maintenance. The Osmose

# Osmose,

coating system incorporates a rust-converting primer and a finish developed to help prevent premature cabinet replacements due to corrosion and oxidation.

## Pole Restoration Services

As poles decay they may lose sufficient strength to be classified as "rejects". With sufficient time all poles eventually will decay unless remedial treatments are applied. When a pole has deteriorated to the point of being a reject, the pole owner must restore it or replace it. Osmose Pole Restoration Systems typically cost about one-third of a new pole replacement.

Osmo-C-Truss and FiberWrap restoration systems have been extensively engineered and tested. Their reputation for reliability is unsurpassed. As a Pole Inspection & Treatment Foreman, one of your responsibilities is to classify rejects as either being a restorable or a replacement candidate. This is critical information that must be accurately and completely recorded.

The Telecommunications Act of 1996 allows a third party the right to attach their equipment to existing utility poles and conduits. The strength of a pole that is already fully loaded can be upgraded with an Osmo-ET-Truss™. The Osmo-ET-Truss is engineered to increase bending capacity of in-service wood poles, avoiding the expense and time of pole replacement. By installing the Osmo-ET-Truss, the bending capacity of a pole can increase by two or more classes allowing it to safely carry more wires and equipment. In most cases, a line can remain energized during installation of the Osmo-ET-Truss so there is no interruption of electric service. Osmose has developed a new truss to complement the success of our existing Osmo-C-Truss™. The new Osmo-C2-Truss™ has a lighter weight, higher strength and lower cost. It also has a low profile design for maximum efficiency. The innovative design enables Osmose to lower our costs and we are pleased to pass along significant savings to our customers.

O'Calc™ is an easy-to-use pole loading software program specifically developed to accurately assess loads on existing poles. O-Calc has been specifically developed to aid companies in their efforts to make an accurate assessment of transverse and vertical loads on an existing pole. The program provides an input format that technicians can easily follow. Once the existing load on a pole is analyzed in O-Calc, it is easy to evaluate the impact of adding cables or increasing the size of conductors.

## Data Services

Data Services is a fast growing business, created by the automation in computer systems of maps and inventory information for utility facilities. Data Services offers field data collection of utility network information and customized data management services.

Osmose helps provide utilities with the high-quality data needed to help make informed decisions and reach important business and organizational objectives. This is accomplished using FastGate® software. FastGate provides a wide range of data-related capabilities that are critical to utilities, including access to data from a variety of sources, accurate data collection in the field, automated data development and processing, and data delivery to key utility applications and data repositories. The

# Osmose.

result is accurate, high-quality data utilities need to operate Outage Management Systems, enhance system performance, manage assets more effectively and increase customer satisfaction.

Osmose's goal is to provide the best equipped, supervised and trained technicians to collect the field data necessary to build and improve utility maps and databases. Data Services Technicians and Foremen use specialized equipment including FastGate Mobile software, GPS receivers, laser measuring devices and handheld field computers.

## Material Sales

Osmose **sells** many of the products you use every day to utility "do-it-yourselfers" and other contractors. In addition, Osmose manufactures products designed to repair damaged poles or enhance pole service **life**. Following is a listing of some of those products. Your accurate field inspection reports **can** save our customers thousands in unnecessary replacement costs, while generating revenue through the sale of products.

➤ **CoverCap®**: Manufactured from low-density polyethylene, CoverCaps are available in a variety of sizes to fit the tops of new poles. Can be used with or without Pole Topper Fluid.

9 **Groundwire Molding**: A flexible and durable molding designed to protect groundwires, and keep passersby from coming into contact with stray voltage in the grounding system.

➤ **Guy Markers**: A bright yellow protective shield covering the lower portion of a down guy. Required by many States, guy markers bright color make them easily visible so children, homeowners and road construction workers do not run into and injure themselves on a guy wire. Made from specially formulated polyethylene or **PVC**.

9 **FLURODSTM**: These solid sodium fluoride (NaF) rods are used as an internal treatment by contractors and utility customers for in-house use.

9 **MITC-FUME® and WoodFume®**: These Fumigant products are also available for sale to other contractors or utility customers for in-house use. TimberFume is used exclusively by Osmose crews.

➤ **COP-R-PLASTICTM**: The paste groundline preservative containing sodium fluoride and copper naphthenate typically used by Osmose field crews. Supplied to **properly** licensed contractors or utilities that conduct their own in-house pole inspection and treatment programs.

➤ **OsmoWeld® and OsmoWeld® LV<sup>TM</sup>**: An epoxy system designed to fill holes and repair damage **caused** by woodpeckers. OsmoWeld, a two component, manually mixed system has been in use since the early 1960's. OsmoWeld LV, also a two component

# Osmose®

system, is automatically mixed and dispensed via a unique dual cartridge mixing system.

- **Pole Protector™:** A foam padding system enclosed in a durable plastic molding which wraps around a pole from groundline to approximately 5 feet above groundline. The Pole Protector is designed to help protect poles from minor vehicle impacts in parking lots, on corners and in other high traffic areas.
- **PoleSplint™:** A portable galvanized steel reinforcement system to repair above ground damage. The two halves of a PoleSplint are clamped around a woodpecker hole and can normally return a utility pole to 85% or more of new pole strength.
- **Pole Topper® and Pole Topper Fluid™:** Pole Topper is a dry, self-adhering pole top protection system. Used on in-service or new utility poles. Cop-R-Nap Pole Topper Fluid is available in a 16 ounce squeeze bottle and is used to treat woodpecker holes, pole tops and bolt holes.
- **PoleWrap™:** A pole bandage that can be applied by utility personnel to poles set in concrete, reset poles or high value installations. The active ingredient is sodium fluoride. PoleWrap is available in rolls or individual pole sizes. It is dry to the touch and very easy to use,
- **Shigometer:** A specialized instrument designed to detect the earliest stages of decay through the measurement of wood's electrical resistance.
- **Wildlife and Outage Protection Products:** A complete line of sonic, anti-perching and contact prevention devices are offered to improve reliability and reduce the chance of wildlife making contact with electrical equipment.

## Trade Organization Affiliations

Osmose is an Associate Member of Edison Electric Institute, we are Active Members in American Wood Preserving Association, National Rural Electric Cooperative Association, National Telephone Association. We also have staff members in the IEEE.



**RECOMMENDED REVISIONS TO MODESTO IRRIGATION CUSTOMER'S CONTRACT  
FROM OUR GENERAL COUNSEL**

We are also including our recommended revisions to your contract for contract work. In recent years, there have been many changes in contractual language with most of our customers. In order to be fair and equitable to everyone involved and to make sure the contractual language is applicable to the specifics of our scope of work, Osmose now reviews all contracts with our legal department. Most likely, your company performs similar reviews. Our General Counsel, Ms. Liza Tommaney, can be contacted at (716) 319-3477 to resolve any issues regarding our proposal. As with most proposals, we are confident all issues can be resolved prior to the start of the project. It is our intent to be a reliable vendor for years to come. This is not intended to delay the RFP process, but to have the opportunity to review terms and conditions specific to this project.

**Insurance Requirements**

Pg. 10. Last paragraph. Please delete first sentence: "Any deductible or self-insured retention must be declared to and approved by District."

**Contract for Pole Inspection Treatment Services**

4. At the end of paragraph, please add: "Payment of all invoices is due upon receipt by District. A service charge of one and one-half percent (1½%) per month will be added to all invoices not paid within thirty (30) days of the invoice date and District agrees to pay such charge on any undisputed invoices."

8. Lines 4-5. Please delete sentence: "Contractor shall promptly correct any hazard affecting the performance of the work." Instead replace with: "As a courtesy and not an affirmative obligation Contractor will advise District of any obvious (with obvious as defined by the average residential consumer of electricity) discrepancies seen or unsafe conditions such as loose guy wires, low hanging wires, leaning poles. Contractor does not warrant that all discrepancies or unsafe locations will be located."

11. At the end of paragraph, please add: "Notwithstanding any other language to the contrary, in no event shall Contractor be responsible for or be required to defend, indemnify or hold harmless District from and against any claim for personal injury (including death) or damage to property or loss of use which occurs more than one (1) year after completion of the Work."

12. Please delete and replace with: "Contractor shall perform all Work in a safe, efficient, good and workmanlike manner. Contractor warrants for a period of one (1) year from the date of completion that the Work shall conform to the Agreement specifications & Exhibit B and shall have been performed with the ordinary skill and care of wood pole inspection professionals. As a condition to this warranty, District must give Contractor written notice within ten (10) days after District first discovers or receives notice of any alleged non-conforming Work. If any Work is found not to conform to the specifications, taking into account Exhibit B, Contractor shall, at its option, either refund that portion of Contractor's fees pertaining to such non-conforming Work or repair or replace the defective Work at no cost to District. CONTRACTOR MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. ALL ACTIONS AGAINST CONTRACTOR BY DISTRICT IN WARRANTY, TORT, CONTRACT OR OTHERWISE MUST BE COMMENCED WITHIN ONE (1) YEAR OF THE DATE OF ACCRUAL OF SUCH ACTION. IN NO EVENT SHALL CONTRACTOR BE RESPONSIBLE FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES, UNLESS CAUSED BY THE WILLFUL MISCONDUCT OF CONTRACTOR. CONTRACTOR MAKES NO WARRANTY AS TO THE LONGEVITY OR USEFUL LIFE OF WOOD POLES INSPECTED AND/OR TREATED BY CONTRACTOR."



Recommended Revisions  
Page -2-

SW-12. Line 6. Amend to read: "*To the extent such damage is caused by the intentional misconduct or negligent acts or omissions of the Contractor, its employees or Subcontractors, Property owners' complaints...*"

**Attachment C**

(a) Line 1. Please amend first sentence to read: "*Other than the products associated with preservatives intended for the control and prevention of wood ~~destroying~~ organisms, Contractor shall not...*" .

(e) pg 38. Last sentence, please amend to read: "...of this Contract *for a period of one (1) year from the completion of the work.*"

Accepted By:

A handwritten signature in dark ink, appearing to read "David R. Hagley", written over a horizontal line.

Date December 5.2008

David R. Hagley  
Vice President-Contracts  
Osmose Utilities Services, Inc.

Accepted By:

\_\_\_\_\_  
Name: \_\_\_\_\_ Date \_\_\_\_\_

Title: \_\_\_\_\_  
MODESTO IRRIGATION DISTRICT



# Osmose.

## SUMMARY OF SAFETY PROGRAM

The management of Osmose considers their fellow employees to be their most valuable resource; therefore we strive to create the means for each person to maintain a safe and healthy work environment. With this statement as a premise, we have developed a “living” Safety program capable of harmonizing the standard operating procedures of our crews with the various specifications of our contracts.

### **Objectives of the Program**

The Osmose Safety Training Program is dedicated to ensuring the safety of all Osmose personnel and promoting safe working rules and practices, both in the field and in non-field activities. The Osmose Safety Training Program is a central component of the overall training received by Osmose field personnel. Key objectives of safety training include the following:

- Safe test and related work practices
- Hazard recognition in the field
- Best safety practices with respect to utility structures
- Emergency safety measures
- Risk assessment and avoidance
- Driving, equipment, and vehicular safety

In addition to these basic safety objectives, Osmose personnel receive specialized safety training for projects such as stray-voltage tests, padmount inspections, and other field services that require specialized kinds of knowledge and heightened safety awareness.

### **Structure of the Osmose Safety Organization**

In 1989, a combination of Osmose Utilities Services corporate office personnel and field managers formed the Central Safety Committee. The Central Safety Committee meets periodically throughout the year, and a meeting report is furnished to all field workers.

Two sub-committees were also established as working arms of the Central Safety Committee to assist in safety policy creation, literature development, recognition programs, and communications. These sub-committees are comprised of employees from all levels within Osmose. A brief description of the two sub-committees is as follows:

- **Safety Rules and Procedures Sub-committee:** Establishes and reviews rules for safe procedures in all field operations. Created and maintains the *Osmose Safety Manual* which governs every crew's operations.
- **Programs and Activities Sub-committee:** Reports safety statistics, develops educational materials, and promotes safety through award programs and contests. Publishes safety correspondence and weekly Safety Tips.
- **Injury/Accident Investigation Sub-committee:** Assists Osmose field management in the investigation process of injuries and accidents. The committee will provide assistance and carry out root cause analyses of these events and develop and maintain the procedures necessary to prevent recurrences. The committee is dedicated to communicating accumulated information and training necessary to improve the Osmose Safety Program.

# Osmose,

Operational territories throughout the United States are responsible for hosting two safety meetings per year which are attended by all Foremen, supervisors, and managers in their geographic area. This broad attendance provides a diverse perspective and experience from which to form the agenda topics. These meetings generally take place during the designated safety months of February and August and all attendees are compensated for the meeting and travel time.

Front line Supervisors are required to hold two safety meetings with their crews during the designated safety months of February and **August**. In addition, individual Foremen organize a minimum of one weekly "tailgate" safety / quality meeting for their respective crews. The topics and a brief description of the meeting is documented on a "Weekly Safety / Quality Meeting Report" form and signed by all participants. Though Osmose provides Safety Tips for each week of the calendar year, crews are encouraged to discuss additional safety concerns which correspond to their particular working conditions (weather, uneven terrain, poisonous plants, snakes, traffic control, etc.).

In conjunction with Quality Control **checks**, job Supervisors conduct Safety Audits on each **Osmose** crew on a regular basis. These audits verify safe operation and maintenance of vehicles and equipment **as well as safe work practices and attitudes, and new employee safety training.** In addition, Managers of Operations are required to perform two Management Safety Audits on each Supervisor during each calendar year.

## Safety Training Specifics

Comprehensive training material is developed for each type of diversified service Osmose field crews perform. These training materials are designed to meet and surpass the federal requirements as mandated by governmental agencies such as the Department of Transportation, the Occupational Safety and Health Administration, the Department of Labor and the Environmental Protection Agency. Another aspect of the Osmose Safety Program is the **Safe Driver Program**. Through this program the company has established a series of checks and balances to insure that all vehicle operators are properly qualified to drive. In addition to possessing a valid Driver's License, all vehicle operators must also pass a written exam with a score of 70% or better, and have an acceptable driving history as determined by a State Motor Vehicle **Report** (MVR). Drivers must also successfully complete a road test of approximately 3 miles that demonstrates the drivers use of seat belts, turn signals, acceleration, knowledge of vehicle controls (wipers, lights, etc.) and knowledge of vehicle maintenance items to inspect prior to each operation. Finally, MVR's are generated for each driver on an annual basis to confirm safe driving practices.

Other features of this Safety Program include a Safety Video library, drug and alcohol screening, Hazard Communication Program, Emergency Response Information in each work vehicle, personal protective equipment, the Osmose Safety Manual, safety exams and safety/quality performance t-shirts.

Finally, in order to recognize workers with outstanding safety records and to promote a healthy safety competition between field crews, two safety award programs have been developed. The first (and probably most prestigious) of these is the Safe Hour Award. Safe work hours are recorded for every crew on a weekly basis. At predetermined levels, such as 10,000 Safe Hours, each member of the crew receives a Safety Award and a Certificate of Recognition.

# Osmose®

The second safety award program is the Safe Driver Program. Vehicle operators are presented with awards based on the number of years without a chargeable vehicle accident.

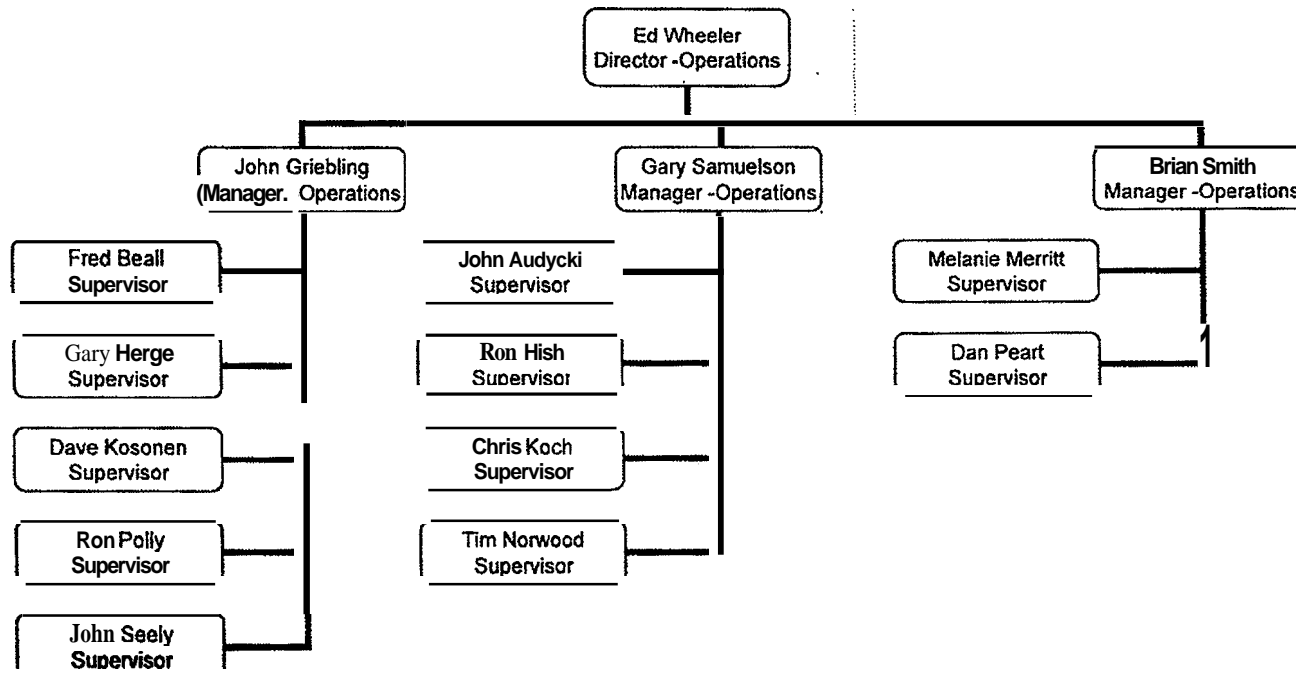
The above is a brief **summary** of the Osmose Utilities Services Safety Program. To date, **this** program has been extremely successful and has been instrumental in a steady decrease in the number of lost work-day injuries since the program's inception. This is **a** reflection of the program's effectiveness in promoting the safety of Osmose field personnel and ensuring that they are part of a safe and responsible service organization. **Our** safety improvement relative to lost work day **injuries** is illustrated below:

| <u>YEAR</u> | <u>LOST WORK DAY INJURIES</u> |
|-------------|-------------------------------|
| 1989        | 270                           |
| 1991        | 75                            |
| <b>1993</b> | <b>19</b>                     |
| 1995        | 7                             |
| <b>1999</b> | <b>3</b>                      |
| 2002        | 1                             |
| 2005        | 0                             |
| 2006        | 1                             |
| 2007        | 0                             |

If you have any questions or need additional information, please do not hesitate to call our Safety Director, Mr. Bob Bleech, at (716) 319-3674.

# Osmose Utilities Services, Inc.

## Territory 1



12/1/2008



**Ed Wheeler**  
**Director-Operations**  
**Cameron Park, California**  
**(530) 295-7051**  
**ewheeler@osrnose.com**

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## **History with Osmose**

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Start Date: April 21, 1976

Work Summary: Supervised and managed all facets of the Osmose Operations for many utilities throughout, but not limited to, California, Arizona, Nevada, New Mexico, Colorado, Utah, Wyoming, Montana, Washington, Oregon, Idaho, Texas, Oklahoma, Georgia, New York, and Pennsylvania, including Municipals, Cooperatives, and Investor Owned Utilities.

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## **Education and Training**

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Education: 1976 - Associates of Applied Sciences ~~Degree~~ in Forestry, Paul Smith's College, Paul Smith's, NY

Training:

- Trained in use of FastGate® Mobile Technology
- Trained in the use of Global Positioning Systems (GPS)
- Osmose certified in "Overhead Facilities Recognition"
- Numerous Sales & Management **Training** Courses

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## **Utility Industry Knowledge**

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Field Experience with:

- Attachment **Audits**
- Line Patrol
- Pole Inspection
- Pole Treatment
- Padmount Inspections
- Steel Tower Corrosion Inspections
- **Steel** Tower Repair Work
- Pole Restoration

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## **Supervisory Experience**

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- July 1976 - Promoted to Foreman
- January 1981 - Promoted to Field Supervisor
- January 1982 - Promoted to District Manager
- January 2001 - Promoted to Area Manager
- January 2005 - Promoted to Area Director
- January 2006 - Promoted to Director-Operations

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## **Pesticide License Information**

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| <b>Classification</b>                          | <b>License Number</b> | <b>State</b> | <b>Expiration Date</b> |
|--|-----------------------|--------------|------------------------|
| Qualified Applicator License: Category A, C, L | 305164                | California   | 12/31/2009             |



**Tim Norwood**  
**Supervisor**  
**Fresno, California**  
**(559)709-7333**  
**tnorwood@osmose.com**

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## History with Osmose

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Start Date: November 7, 1997

**Work** Summary: Supervised Pole Inspection and Treatment, and Pole Reinforcement for many utilities throughout, **but** not limited to, Central and Northern California including Municipals, Cooperatives, **and** Investor Owned Utilities.

---

## Education and Training

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Education: **1983** - Graduated from Fresno High, Fresno, CA.

Training:

- Trained in use of FastGate® Mobile Technology
- Trained in the use of Global Positioning Systems (**GPS**)
- Osmose certified in "Overhead Facilities Recognition"
- Trained in the inspection and treatment of wood utility poles.
- Trained in steel reinforcement of wood utility poles.

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## Utility Industry Knowledge

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Field Experience with:

- Attachment **Audits**
- Line Patrol
- Pole Inspection
- Pole Treatment
- Pole Restoration
- Data collection

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## Supervisory Experience

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Supervisory experience with Osmose since 2001. Supervised Pole Inspection, Treatment, and Restoration services for various utilities in Central and Northern California **during** this time. **Daily** responsibilities include, **but** are not **limited** to:

- The proper execution of the customers job expectations.
- The quality control process.
- **Data** collections.
- Equipment **and** vehicle maintenance.
- Payrolls

---

## Pesticide License Information

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| Classification            | License Number | State      | Expiration Date |
|---------------------------|----------------|------------|-----------------|
| QAL-"L" Wood Preservation | 36191          | California | 12/31/2009      |



**John Audycki**  
**Supervisor**  
**Elk Grove, California**  
**(916) 765-1991**  
**jaudycki@osmose.com**

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## History with Osmose

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Start Date: October 7, 1981

Work Summary: Supervised Pole Inspection and Treatment and Pole Reinforcement for many utilities throughout, but not **limited** to, California and Nevada including Municipals, Cooperatives, **and** Investor Owned Utilities.

---

## Education and Training

---

Education: 1978, Associate in Applied Science Degree in Forestry, Paul Smith's College, Paul **Smiths**, NY

Training:

- Trained in use of FastGate® Mobile Technology
- Trained in the use of Global Positioning Systems (GPS)
- Osmose certified in "Overhead Facilities Recognition"
- Basic First Aid and CPR Certified

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## Utility Industry Knowledge

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Field Experience with:

- Pole Inspection
- Pole Treatment
- Steel Tower Corrosion Inspections
- Pole Restoration
- **CDF** Brush Clearing
- Telco Pole, Cable Placement and **Removal**
- Telco Cable Splicing

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## Supervisory Experience

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- Osmose Field Training
- **Supervised** Training School
- Trained Foreman candidates to be PIT Foreman

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## Pesticide License Information

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| Classification          | License Number | State      | Expiration Date |
|-------------------------|----------------|------------|-----------------|
| QAL – Wood Preservation | QL34975        | California | 1213112008      |



**Gary M. Samuelson**  
**Manager-Operations**  
**Murrieta, California**  
**(951) 903-4151**  
**gsamuefson@osmose.com**

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## **History with Osmose**

---

Start Date: 1996

Work Summary: Supervised Pole Inspection and Treatment, Pole Restoration, and Data Services Collection for many utilities throughout, but not limited to, California, Arizona, New Mexico, Oregon, and Nevada including Municipals, Cooperatives, **and** Investor Owned Utilities.

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## **Education and Training**

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Education: 1995 - University of Nebraska, Lincoln, NE

Training:

- Trained in use of FastGate® Mobile Technology
- Trained in the use of Global Positioning Systems (GPS)
- Osmose certified in "Overhead Facilities Recognition":

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## **Utility Industry Knowledge**

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**Field** Experience with

- Attachment Audits
- Line Patrol
- Pole Inspection
- Pole Treatment
- Padmount Inspections
- Steel Tower Corrosion Inspections
- Steel Tower Repair Work
- **Pole** Restoration
- Connectivity Audits
- Mapping

---

## **Supervisory Experience**

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- 2000-2006 - Supervisor for most utilities in Southern California and Arizona
- 2006-Present - Manager-Operations for all utilities in Southern California, Arizona and New Mexico

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## **Pesticide License Information**

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| <b>Classification</b>        | <b>License Number</b> | <b>State</b> | <b>Expiration Date</b> |
|------------------------------|-----------------------|--------------|------------------------|
| Qualified Applicator License | 51569                 | California   | 1213112009             |





**Rey Martinez**  
**Foreman**  
**(661) 889-8673**

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## **History with Osmose**

---

Start Date: 2005

Work Summary: Supervised Pole Inspection and Treatment for many utilities throughout, but not limited to, Arizona and California including Municipals, Cooperatives, and Investor Owned Utilities.

---

## **Training**

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Training:

- Trained in all aspects of in-field utility structure inspections and wood preservative applications
- Trained in use of FastGate® Mobile Technology
- Trained in the use of Global Positioning Systems (**GPS**)

---

## **Utility Industry Knowledge**

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Field Experience with:

- Attachment Audits
- Pole Inspection
- Pole Treatment
- Wood Pole Product Installation:
  - Guy Markers
  - Ground Wire Molding
  - Pole Numbering
  - Visibility Strips



**Brent Bynrd  
Foreman  
Davis, California  
(209) 471-1615**

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## **History with Osmose**

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Start Date: 2004

Work Summary: Supervised Pole Inspection and Treatment for many utilities throughout, but not limited to, Arizona and California including Municipals, Cooperatives, and Investor Owned Utilities.

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## **Training**

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Training:

- **Trained in** all aspects of in-field utility structure inspections and wood preservative applications
- Trained in use of FastGate® Mobile **Technology**
- Trained in the use of Global Positioning **Systems** (GPS)
- Training for **SPCC** Pesticide Licensing (currently registered)

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## **Utility Industry Knowledge**

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Field Experience with:

- Attachment Audits
- Pole Inspection
- Pole Treatment
- Wood Pole Product Installation:
  - **Guy** Markers
  - Ground Wire Molding
  - Pole Numbering
  - Visibility Strips

## ATTACHMENT "A" SCOPE OF WORK

### 1) SCOPE OF WORK

The complete inspection of the City's transmission and distribution poles and the application of appropriate treatment to poles for the prevention and control of biological deterioration.

### 2) EXTENT OF WORK

The two (2) year 2011-2013 contract will require that all of the City's approximately 5,775 in-place wood poles will be inspected. Any pole ten (10) years and older shall be inspected and treated within the guidelines of this specification:

Fiscal 2010/11, begin inspecting/treating 3,000 ± in-place wood poles.  
Fiscal 2011/12, continue the inspection/treatment of the original 3,000 ± in-place wood poles.  
Fiscal 2012/13, complete the inspection/treatment of the remaining 2,775 ± in-place wood poles.

The locations and approximate number of poles involved will be furnished to bidders. After the award of the contract, the City will furnish map/maps indicating specific areas in which the pole inspection and treatment will commence. Contractor shall submit to City a work schedule indicating when work will be completed on a per map basis. All schedules shall be approved by the City prior to initiation of work.

Contractor shall commence the work within three (3) working days after receiving confirmation of schedule approval from the City.

- (a) Contractor shall perform all work required for the inspection and preservative treatment of the City's in-service wood poles. The work shall include excavation, boring, probing, removal of external decay, backfilling, cleanup, minor repairs, numbering, tagging, and the collection of data.

Contractor shall furnish all supervision, labor, tools, preservatives, equipment and material necessary or required for the performance of the work.

- (b) Supervision shall be performed by a technician who has a minimum of four (4) years experience in the inspection and treatment of in-place wood poles. Preferably these individuals will have degrees in the wood sciences and have established California residency. Contractor shall furnish resumes of all supervisory personnel.

### 3) INSPECTION REPORTS

- (a) Contractor shall prepare a weekly status report for all poles inspected and treated in a written format acceptable to the City and coordinated with the City's I.S.

department. Contractor shall furnish one copy of each report sheet to the City. Refer to section 1 for additional requirements for reporting and recording. All work shall be completed on 60 kV poles first, followed by a per map basis prior to commencement of work on new map.

(b) Inspection reports shall contain the following information, as a minimum for each pole:

- 1) Map number and location
- 2) Pole number
- 3) Installation of pole number (if missing) on pole, materials supplied by City.
- 4) Installation of visibility strips on pole, (per C.O.L. standard, if required) material supplied by city.
- 5) Joint pole information (specify all utilities)
- 6) Pole type, size and class, original treatment
- 7) Original and effective ground line circumference
- 8) General physical condition of pole
- 9) Internal and/or external treatment
- 10) Last treated (will be n/a on initial treatment)
- 11) Reasons for rejection
- 12) GIS location
- 13) G.O. 95 infractions. to include, but not limited to:
  - Missing High Voltage signs.
  - Visibility strips
  - Leaking transformer
  - Guy wire – Slack
  - Visual clearance on conductor sag
  - Crossarm defects
  - Insulator defects
  - Tree clearance
    - a) Touching secondary
    - b) 3 ft. from primary
  - Condition of risers
  - Low steps
  - Broken ground wires and ground molding
- 14) Digital photograph of structure

If any of the above information is not readily attainable, it shall be noted on the weekly status report that it is estimated.

#### 4) INSPECTION

- (a) Visual Inspection. All poles shall be visually inspected from the top to the ground line prior to excavation or treatment. The visual inspection shall include pole height, class, wood specie, original treatment, previous treatment history (if any),

circumference at ground line, joint use attachments, condition of guy supports, pole numbering, and inventory data as described in section 3(b). The visual inspection shall report compression wood, loose or broken hardware, damage to crossarms, woodpecker holes, above ground shell rot, breaks/cracks, damaged conductors, and other conditions which could render the structure unserviceable.

If the pole is obviously not suited for continued service due to lightning damage or other serious defect, it shall not be treated, but tagged and reported **as** rejected.

All poles shall be sounded with a metal hammer from the ground line to as high as the inspector can reach. Hammer-marks shall be visible on the pole. Any audible evidence of internal decay or voids shall be noted on report.

All excavated poles shall be sounded below ground line for evidence of internal decay or voids. Any audible evidence of internal decay or voids shall be noted on the report.

## 5) EXCAVATIONS

- (a) Non-Cellon poles, not set in concrete or pavement, which have passed the visual inspection and are at least ten (10) years old shall receive a "partial excavation" as follows:

Poles shall be excavated to a depth of at least twenty inches (20") within one quadrant, or to a sufficient depth not to exceed thirty inches (30") to expose all external decay. Initial excavation shall be made at the most likely spot for decay, such as the lower end of a check. Decay below a depth of thirty inches (30") shall be reported to immediate Supervisor.

If set in concrete or pavement, sound and bore only.

- (b) All Cellon poles which have passed the visual inspection shall receive a "full 360" excavation **as** follows:

One shovel width of soil shall be excavated down to a depth of twenty inches (20"), Holes shall be a minimum of six inches (6") wide at the bottom and at least twelve inches (12") wide at the ground line. If Cellon poles are set in concrete or pavement, see section 6 for instructions.

- (c) All poles which have received a full three hundred and sixty degrees (360") excavation shall be sounded below grade in continuance of the requirements of section 4.
- (d) All poles which are through-bored are to be sounded only.

## 6) POLES SET IN CONCRETE OR PAVEMENT

All cello treated poles shall have concrete or pavement excavated for full inspection regardless of age. Saw-cut concrete along existing scribe lines or remove pavement from base of pole to provide ample room for treatment and inspection. Replace concrete to its original thickness when work has been finished. All replaced concrete shall be hand trowelled to match the surrounding concrete surface. All concrete or pavement removal and replacement will be done according to the City of Lodi's Standards.

## 7) BORING

- (a) Borings shall be made on all poles which have passed the visual inspection given that they meet the age or original treatment requirements of Section 4(a) and 5(a).
- (b) The drilling shall be performed with a seven-eighths inch ( $7/8$ " ) auger bit at **an** angle of forty-five degrees ( $45^\circ$ ) to the axis of the pole and shall extend beyond the center of the pole. Care must be taken to avoid boring into seasoning checks or through the opposite side of the pole.
- (c) A minimum of three holes must be drilled in each pole inspected; larger poles will require more borings as described below.
- (d) If the pole has been excavated, the first boring shall be started adjacent to (but not intersecting) the nearest seasoning check twelve inches (12") below the ground line. The second-boring shall be one hundred twenty degrees ( $120^\circ$ ) to the right and shall start at the ground line. The third shall be one hundred twenty degrees ( $120^\circ$ ) to the right of the second and shall begin at no less than 12 inches (12") above the ground line. If additional borings are required for further inspection, they shall be placed successively at increments twelve inches (12") above and one hundred twenty degrees ( $120^\circ$ ) to the right of the highest preceding hole. Thus the drill "pattern" may be depicted as a spiral. A pole in concrete or which otherwise cannot be excavated shall be drilled in the spiral pattern with the first hole starting at the ground line.
- (e) Each drilled hole shall be probed by an appropriate size shell-thickness indicator approved by the City.
  - 1) The thickness of the shell and the depths of the enclosed pockets shall be measured through the bored hole with a shell-thickness indicator that has a calibrated scale which converts the measurement taken, to the actual thickness measurement which is perpendicular to the pole axis.
  - 2) **All** bored holes shall be plugged with a tight fitting ( $1/8$ " interference fit) preservative treated wood dowel.

- 3) Care should be exercised to insure only sound wood is being measured, Cedar and pine poles have an abrupt, well defined transition from sound to decayed wood, and the shell indicator reading can be used without compensation. Fir does not have such an abrupt demarcation between advanced decay and sound wood. To allow for this and the effects of incipient decay, the inspector shall first deduct one-half inch (1/2") from the shell indicator reading for fir poles.
- 4) If the probing inspection reveals any enclosed voids where the pole is set in concrete, the pole shall be rejected and evaluated for reinforcement
- 5) If the probing inspection reveals any enclosed voids where the remaining shell thickness is less than three inches (3"), the pole shall be rejected.
- 6) In poles receiving additional borings for internal void or cavity pressure treatment, additional 7/8" holes must be bored to allow for subsequent fumigant treatment of solid wood. If voids are still found at five feet (5') above ground line, the pole should be rejected.

## 8) DEEPDECAY

- (a) It is possible that dryer areas will produce "deep decay" that can not be identified and/or evaluated using a conventional twenty inches (20") below ground line excavation.
- (b) For poles where the full three hundred sixty degrees (360"), twenty inch (20") excavation (and subsequent bore-and-probe inspection) reveals internal decay that appears to continue beyond the twenty inches (20") below ground line point:

If the pole is serviceable, an extended excavation is to be made, as follows:

- 1) On the quadrant of the pole where the remaining good shell is thinnest, the excavation shall be extended to a depth of thirty inches (30"). An additional 1/8" hole shall be drilled at forty-five degree (45°) angle starting at least twenty-five inches (25") below ground line. If the decay condition is worsening with the increased depth, or if the remaining good shell is less than four inches (4"), the pole is to be rejected and replaced. (If the original twenty inch (20") excavation and internal inspection determines that the pole is a reject, the deep excavation shall not be necessary.)

## 9) BELOW GROUND EXTERNAL INSPECTION

All poles excavated according to Sections 5 shall be brushed or scraped with tools and methods acceptable to the City to determine the soundness of the wood. No good or visually sound wood is to be removed from the pole. All exterior decayed wood and surface rot is to be removed and external decay pockets cleaned out with an approved

chipping tool (Axes shall not be used). External decay that occurs eight inches (8") above ground line shall not be removed. All chipped fragments and decayed wood shall be removed from the hole and site and properly disposed of. Special care must be taken to discover and remove soft rot shell deterioration from Penta treated poles.

#### 10) INSPECTION CRITERIA

(a) It is the intention of this specification to identify and reject all poles which do not meet the strength requirements outlined in the General Order 95. See page D- 10, "Specification Appendices".

(b) Each pole shall be measured to determine the minimum effective ground line circumference. Deductions must be made for enclosed pockets, hollows, exposed pockets, or any combination of these defects when they occur on the same horizontal plane.

(c) Contractor will supply to the City for acceptance, methodology for determining minimum circumference.

(d) Unserviceable poles shall be rejected when the effective remaining circumference does not provide sufficient strength to satisfy the requirements of the General Order 95.

- 1) Poles also shall be rejected for cracks and breaks consequent to mechanical damage such as automobile contact, for compression wood deeper than one inch (1"), for woodpecker holes estimated to be larger than one third (1/3) the pole circumference, for excessive checks and splits, or for other valid reasons which could render the structure unsafe.
- 2) In case of conditions which in the opinion of the inspector might render the pole unserviceable, but which for some reason may be questionable, the Contractor shall recommend a follow-up by the City for a closer evaluation. Contractor shall treat such poles in accordance with this Contract, upon the City's determination.
- 3) Contractor shall evaluate each rejected pole for restoration. The City will make final determination of the feasibility of restoration.
- 4) All pole restoration will be performed by City forces.

#### 11) TREATMENT

(a) The treatment of utility poles with preservatives intended for the control and prevention of wood-destroying organisms is considered to be pest control. Contractor shall have a valid California Agricultural Pest Control Business license. Contractor's supervisors shall possess qualified applicator licenses in appropriate categories.



Contractor shall comply with all Federal, State, county, and municipal regulations regarding usage reporting, safe handling, and disposal of preservatives. Copies of use permits obtained from the Country Agricultural Commissioners should be available for review by the City upon request.

(b) External Treatments

All poles found serviceable by excavation shall receive treatment with Osmoplastic, or chemically equivalent paste, from the bottom of the excavation to three inches (3") above the ground line. The paste should be brushed liberally into checks and exposed pockets. The preservative paste shall be applied to meet the minimum coating thickness recommended on the manufactures' EPA-issued label. The treated area will be covered with a plastic-backed ultra-violet resistant paper acceptable to the City for the purpose. The wrapping shall be twenty-four inches (24") wide and shall be placed so the top is four inches (4") above the ground line. Poles which have required only a partial excavation will have only the excavated zone externally treated and wrapped. The City may direct Contractor to externally treat rejected poles which are determined to be reinforceable.

(c) Fumigant Treatments

All poles found serviceable by the bore and probe procedure described in section 7 shall receive an approved NaMDC (OSMOSE Woodfume or chemically equivalent) fumigant treatment.

- 1) Application rates shall be in accordance with manufacturer's EPA-issued label but shall at least satisfy the requirements of the chart listed here:

| All Hole<br>Diameters<br>(Inches) | Treated<br>Plug Size | Original Pole<br>Circumference<br>(Inches) | Hole Depth<br>(Inches) | NaMDC<br>Pints | Minimum<br>Drill Holes<br>Required |
|-----------------------------------|----------------------|--|------------------------|----------------|------------------------------------|
| 7/8"                              | 15/16" X 3"          | <32  | 9                      | 3/4            | 3                                  |
| 7/8"                              | 15/16" X 3"          | 23-45                                      | 15                     | 1              | 4                                  |
| 7/8"                              | 15/16" X 3"          | 46-59                                      | 15                     | 1 %            | 5                                  |
| 7/8"                              | 15/16" X 3"          | 60 and over                                | 15                     | 2              | 6                                  |

(d) Plugging

All drilled holes shall be plugged with a snug fitting pressured-treated wood dowel. (One- sixteenth inch (1/16") interference fit on three-eighths inch (3/8") holes and one-eighth inch (1/8") interference fit on seven-eighths inch (7/8") holes.)

## 12) BACKFILLING AND CLEAN-UP

The evacuated hole shall be generously backfilled and tamped to preclude the possibility of subsequent settling creating a depressed area around the pole.

No organic matter such as roots, branches, wood chips or fragments removed from the pole, etc, is to be included in the backfill material. Turf, shrubs, and plants on private property shall be carefully replaced **as** to replicate the original conditions, as closely **as** possible. Property owners' complaints about damaged shrubs and/or plants will be the responsibility of the Contractor. Contractor, upon completion of work at each work site, shall see that the work site is cleaned up to a condition at least equal to that which existed when the work started. Contractor shall be responsible for proper disposal of all debris, pole wrap, etc, according to Federal, State and local regulations.

## 13) MARKING

All poles which have been inspected shall be tagged approximately six feet (6') above ground line, facing the nearest road. Poles which have passed will receive a tag which shows the year of inspection, Contractor's name and any treatments applied. Poles which are rejected shall be tagged to indicate if they are in need of priority attention.

## 14) RECORDING AND REPORTING

Contractor will record all [the information required per this specification on site via electronic data-collecting media. This is necessary to minimize possible clerical errors of transposition by persons not familiar with the specifics of the inspection. The supporting software shall have validation requirements satisfactory to the City to minimize recording of incorrect information, and a prompting structure to help ensure that the required information is obtained on each pole inspected. Any facility with incorrectly reported data will be revisited by Contractor at its own expense. All corrections made by Contractor will be separated from any new data and will not be resubmitted in a re-transmission of other old or corrected data. Corrections not returned within twenty (20) days may result in the suspension of the Contract until such corrections are retrieved.

Contractor shall coordinate data collection software with the City's **I.S.** Department to collect on site field data. This data shall be validated for correctness before delivery to the City. The required database structure will be supplied by the City.

## 15) QUALITY CONTROL

2) Each Foreman or Pole Inspection Crew shall be critiqued weekly by Contractor's Crew Supervisor.

3) Quality Control Checks shall be completed on a bi-weekly basis or as the City deems necessary,

- 4) City Representative shall be present during Quality Control Checks of each foreman.
- 5) A minimum of three (3) poles will be selected for Quality Control Checks by the City Representative.
- 6) All non-conforming items shall be corrected by Contractor.
- 7) Quality Control Checks shall include, but not be limited to, all poles inspected subsequent to the previous Quality Control Check.
- 8) Quality Control Check techniques shall include, but not be limited to, those used in the original inspection.
- 9) Increment borers shall be used to resolve questions concerning the presence of deteriorated wood.

## ATTACHMENT "B"

### NON-DISCRIMINATION PROVISIONS

Section 1735 of the California Labor Code is hereby made a part of this Contract. Said Section 1735 reads as follows:

"No discrimination shall be made in the employment of persons upon public works because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons, except as provided in Section 12940 of the Government Code, and every contractor for public works violating this section is subject to all the penalties imposed for a violation of this chapter."

*During the performance of this Contract, Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status or sex. Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status or sex. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this Equal Opportunity Clause.*

## ATTACHMENT "C"

### PROVISIONS RELATING TO ENVIRONMENT

(a). Contractor shall not use, generate, manufacture, store or dispose of on, under or about the District's property, or transport to, from or across the District's property, any flammable, explosive or radioactive material, toxic substance, hazardous waste, hazardous material, hazardous substance, or the equivalent, as those terms may now or in the future be defined by common practice or by any federal, state or local statute, ordinance or regulation or any governmental body or agency (hereinafter "Hazardous Substance").

(b). Without limiting any remedies the District may have, in the event any disposal, release, discharge or spill of a Hazardous Substance or other contamination occurs on District's property at any time during the performance of Contractor's work on the property, except such spills or contamination to the extent directly caused by the sole negligence or willful misconduct of the District, Contractor shall immediately notify the District and take all action to mitigate the effects of such disposal, release, discharge, spill or contamination. Contractor shall at Contractor's own expense, unless otherwise directed by the District, remediate such disposal, release, discharge of spill or contamination to the District's satisfaction and in compliance with all applicable laws, rules and regulations. The District shall have the option to perform the remediation itself or through any contractor and Contractor shall cooperate with the District to complete the remediation and shall reimburse the District for all costs and expenses incurred in connection with the remediation.

(c). In the event Contractor observes any material Contractor believes or has reason to believe may be a Hazardous Substance or encounters any unknown physical condition of any unusual nature on the District's property, other than disposals, releases, discharges, spills or contamination covered in (b), Contractor shall, without disturbing the condition, immediately cease all activity on District's property and notify the District. The District shall investigate the condition and take any clean-up or other remedial action the District deems necessary in its sole discretion.

(d). In the event the District or its contractor elects to perform remediation work, Contractor shall upon notice from District, cease all activity on District's property as directed in the notice. District will notify Contractor when the condition has been resolved, at which time, but not before, Contractor may resume its work on District's property.

(e). Contractor agrees to assume liability for and to defend and hold harmless the District from and against all injuries or death to any person and damage to any property, and all related expense, including without limitation attorneys' fees, investigators' fees, litigation expenses and any judgements, fines, penalties or other charges assessed against District, resulting from

Contractor's failure to comply with these provisions and any **laws**, rules or *regulations* concerning the subject matter hereof, These provisions shall survive the expiration and termination of this Contract.

# Osmose Utilities Services, Inc.

## SCHEDULE 1 - 02/11/2011

(Approximately 2,635 Distribution Poles)

| UNIT DESCRIPTION                   | PRICE    |
|------------------------------------|----------|
| INSPECTION REPORTS                 | 0.00     |
| VISUAL INSPECTION                  | \$ 5.67  |
| PARTIAL EXCAVATE WITH SOUND & BORE | \$ 19.53 |
| COMPLETE EXCAVATION W S&B          | \$ 63.35 |
| INSTALL VISIBILITY STRIPS          | \$ 5.15  |
| INSTALL POLE NUMBERS               | \$ 4.64  |
| SOUND & BORE ONLY                  | \$ 10.56 |
| DEEP DECAY                         | \$ 10.56 |
| TREATMENT-EXTERNAL TREATMENT       | \$ 3.09  |
| TREATMENT-FUMIGANT TREATMENT       | \$ 5.15  |
| *GPS 1 - 10 METER ACCURACY         | \$ 0.52  |
| **DIGITAL IMAGE                    | \$ 2.11  |
| INTERNAL TREAT-CU-89               | \$ 15.45 |
| ***PRIVATE PROPERTY                | \$ 7.75  |

\*The GPS data (per structure) item includes a GPS point with an accuracy level of one to ten meters (1-10 meters). One attempt will be made to collect the GPS point. Osmose will not charge for any unattainable data collection. If requested however, Osmose can supply an hourly rate to return to any pole location to recollect data.

\*\*The Digital Image (per structure) item listed on the price schedule has a 2 Mega Pixel Resolution. One attempt will be made to collect each image per structure. Osmose will not charge for any unattainable image collection. If requested however, Osmose can supply an hourly rate to return to any pole location to recollect the digital photo.

\*\*\*Private Property adder is defined as anything 100ft or greater from the truck, or any fenced or confined backyard situation.

# Osmose Utilities Services, Inc.

## SCHEDULE 2 - 02/11/2011

(Approximately 800 Transmission Poles)

| UNIT DESCRIPTION               | PRICE    |
|--------------------------------|----------|
| INSPECTION REPORTS             | 0.00     |
| VISUAL INSPECTION              | \$ 6.18  |
| PARTIAL EXCAVTE W/SOUND & BORE | \$ 21.69 |
| COMPLETE EXCAVATION W S&B      | \$ 84.46 |
| INSTALL VISABILITY STRIPS      | \$ 5.15  |
| INSTALL POLE NUMBERS           | \$ 4.64  |
| SOUND & BORE ONLY              | \$ 13.19 |
| DEEP DECA Y                    | \$ 13.46 |
| TREATMENT-EXTERNAL TREATMENT   | \$ 4.07  |
| TREATMENT-FUMIGANT TREATMENT   | \$ 7.73  |
| *GPS 1 - 10 METER ACCURACY     | \$ 0.52  |
| **DIGITAL IMAGE                | \$ 2.11  |
| INTERNAL TREAT-CU-89           | \$ 18.28 |
| ***PRIVATE PROPERTY            | \$ 7.75  |

\*The GPS data (per structure) item includes a GPS point with an accuracy level of one to ten meters (1-10 meters). One attempt will be made to collect the GPS point. Osmose will not charge for any unattainable data collection. If requested however, Osmose can supply an hourly rate to return to any pole location to recollect data.

\*\*The Digital Image (per structure) item listed on the price schedule has a 2 Mega Pixel Resolution. One attempt will be made to collect each image per structure. Osmose will not charge for any unattainable image collection. If requested however, Osmose can supply an hourly rate to return to any pole location to recollect the digital photo.

\*\*\*Private Property adder is defined as anything 100 ft or greater from the truck, or any fenced or confined backyard situation.





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
1/27/2011**REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.****IMPORTANT** If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the

|  |  |  |  |
|--|--|--|--|
| <b>PRODUCER</b><br>First Niagara Risk Management, Inc<br>726 Exchange Street Suite 900<br>Buffalo NY 14210 |  | <b>CONTACT</b> Sarah Viksjo<br><b>NAME:</b><br><b>PHONE</b> (A/C, No Ext): (716) 819-5820 <b>FAX</b> (A/C, No): (716) 819-5140<br><b>E-MAIL</b> ADDRESS: Sarah.Viksjo@fnrm.com<br><b>PRODUCER</b><br><b>CUSTOMER ID #:</b> 00055265                                    |  |
| <b>INSURED</b><br>Osmose Utilities Services, Inc.<br>980 Ellicott Street<br>Buffalo NY 14209-2323          |  | <b>INSURER(S) AFFORDING COVERAGE</b><br><b>INSURER A:</b> National Union Fire Ins Co 19445<br><b>INSURER B:</b> Insurance Co State of Penn 23817<br><b>INSURER C:</b> Travelers Prop Cas Co of Am 11027<br><b>INSURER D:</b><br><b>INSURER E:</b><br><b>INSURER F:</b> |  |

| INSR LTR   | TYPE OF INSURANCE  | ADDL SUBR INSR WVD                        | POLICY NUMBER   | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS  |
|--|--|---|-----------------|-------------------------|-------------------------|---|
| A  | GENERAL LIABILITY  |   |                 |                         |                         | EACH OCCURRENCE \$ 1,000,000  |
|  | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY                           |   | 061673          | 1/1/2011                | 7/1/2011                | PREMISES (Ea occurrence) \$ 500,000   |
|  |  |   |                 |                         |                         | MED EXP (Any one person) \$ 10,000  |
|  |  |   |                 |                         |                         | PERSONAL & ADV INJURY \$ 1,000,000  |
|  |  |   |                 |                         |                         | GENERAL AGGREGATE \$ 2,000,000  |
|  |  |   |                 |                         |                         | PRODUCTS - COMP/OP AGG \$ 2,000,000   |
| GENL AGGREGATE LIMIT APPLIES PER:<br><input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC |  |   |                 |                         |                         |   |
| B  | AUTOMOBILE LIABILITY   |   |                 |                         |                         | COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000                            |
|  | <input checked="" type="checkbox"/> ANY AUTO   |   | 3976834 (AOS)   | 1/1/2011                | 7/1/2011                | BODILY INJURY (Per person) \$   |
|  | ALL OWNED AUTOS  |   |                 |                         |                         | BODILY INJURY (Per accident) \$   |
|  | SCHEDULED AUTOS  |   |                 |                         |                         | PROPERTY DAMAGE (Per accident) \$   |
|  | <input checked="" type="checkbox"/> HIRED AUTOS  |   | 3976835 (VA)    |                         |                         | Medical payments \$   |
|  | <input checked="" type="checkbox"/> NON-OWNED AUTOS  |   |                 |                         |                         | Underinsured motorist \$  |
| A  | <input checked="" type="checkbox"/> UMBRELLA LIAB  | <input checked="" type="checkbox"/> OCCUR |                 |                         |                         | EACH OCCURRENCE \$ 25,000,000   |
|  | <input type="checkbox"/> EXCESS LIAB   | <input type="checkbox"/> CLAIMS-MADE      |                 |                         |                         | AGGREGATE \$ 25,000,000   |
|  | DEDUCTIBLE   |   |                 |                         |                         | \$  |
|  | <input checked="" type="checkbox"/> RETENTION \$ 10,000                                    |   | BE 23542897     | 1/1/2011                | 7/1/2012                | \$  |
| B  | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY  |   | 061967055 (AOS) |                         |                         | <input checked="" type="checkbox"/> WC STATU- <input type="checkbox"/> OTH- |
|  | ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)                | <input checked="" type="checkbox"/> N/A   |                 |                         |                         | E.L. EACH ACCIDENT \$ 1,000,000   |
|  | <input checked="" type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below |   | 061967054 (CA)  | 1/1/2011                | 7/1/2011                | E.L. DISEASE - EA EMPLOYEE \$ 1,000,000                                     |
|  |  |   |                 |                         |                         | E.L. DISEASE - POLICY LIMIT \$ 1,000,000                                    |
| C  | Leased/Rented Equipment  |   | QT6603420P45210 | 1/1/2011                | 1/1/2012                | Limit \$1,400,000   |

DESCRIPTION OF OPERATIONS/ LOCATIONS/ VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
City of Lodi, its elected and appointed Boards, Commissions, Officers, Agents, Employees, and Volunteers are named additional insureds on a primary basis as required by written contract regarding work performed by the insured for the certificate holder. CG 00 01 12/07 includes Severability of Interests and Contractual Liability. 30 days notice of cancellation applies when required by written contract.

|   |  |
|---|--|
| <b>CERTIFICATE HOLDER</b><br><br>City of Lodi<br>Attn: Risk Manager<br>221 W. Pine Street<br>Lodi, CA 95240 | <b>CANCELLATION</b><br><br>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.<br><br>AUTHORIZED REPRESENTATIVE<br><br>Joseph Teresi/SVIKSJ |
|---|--|

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

| <b>Name Of Additional Insured Person(s)<br/>Or Organization(s):</b>  | <b>Location And Description Of Completed Operations</b> |
|--|---|
| ANY ENTITY YOU ARE REQUIRED IN A WRITTEN<br>"INSURED CONTRACT" (HEREINAFTER CALLED<br>ADDITIONAL INSURED) TO <b>NAME</b> AS AN INSURED |   |
|  |   |

**Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED PERSON OR  
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

| Name Of Additional Insured Person(s)<br>Or Organization(s):  | Location(s) Of Covered Operations |
|--|-----------------------------------|
| ANY ENTITY YOU ARE REQUIRED IN A WRITTEN<br>"INSURED CONTRACT" (HEREINAFTER CALLED<br>ADDITIONAL INSURED) TO NAME AS AN<br>INSURED |                                   |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations.                             |                                   |

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

**B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

RESOLUTION NO. 2011-71

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE  
CITY MANAGER TO EXECUTE AN AGREEMENT WITH OSMOSE  
UTILITIES SERVICES, INC., OF TYRONE, GEORGIA, FOR ELECTRIC  
UTILITY POLE INSPECTION, TESTING, AND TREATMENT WITH  
ADMINISTRATION BY THE ELECTRIC UTILITY DIRECTOR

=====

WHEREAS, the Electric Utility is required to periodically inspect and test wooden utility poles and their adjacent anchors to meet compliance requirements of California General Order 95 and 128: and

WHEREAS, as appropriate, poles are treated to increase their life, resulting in decreased maintenance costs; and

WHEREAS, pursuant to Lodi Municipal Code Section 3.20.045, Other Agency Contracts, the City may utilize another public agency's bid process to award a contract; and

WHEREAS, the Modesto Irrigation District completed a bid process and awarded a contract for inspection and treatment of its poles with Osmose Utilities Services, Inc., of Tyrone, Georgia; and

WHEREAS, Osmose Utility Services, Inc. has agreed to the same pricing as the Modesto Irrigation District contract for 2011 and an increase for 2012 based on the Consumer Price Index, with a minimum increase of 3% and a maximum increase of 5%; and

WHEREAS, Electric Utility staff recommends awarding a contract for this service to Osmose Utilities Services, Inc., of Tyrone, Georgia, for inspection, testing, and treatment of wooden utility poles and adjacent anchors, based on the Modesto Irrigation District contract award on February 12, 2009.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute a Professional Services Agreement, with administration by the Electric Utility Director, for Electric Utility pole inspection, testing, and treatment with Osmose Utilities Services, Inc., of Tyrone, Georgia, based on the Modesto Irrigation District contract award in the amount of \$110,000 for 2011 and an increase for 2012 based on the Consumer Price Index, with a minimum increase of 3% and a maximum increase of 5%.

Dated: May 18, 2011

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I hereby certify that Resolution No. 2011-71 was passed and adopted by the City Council of the City of Lodi in a regular meeting held May 18, 2011, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Katzakian, Nakanishi, and Mayor Johnson

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Mounce

ABSTAIN: COUNCIL MEMBERS – None

  
RANDI JOHL  
City Clerk